# Exhibit 9

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK
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UNITED STATES OF AMERICA,

PLAINTIFF, CASE NO.. 12 CIV 4034

VS.

ALL RIGHT, TITLE AND INTEREST IN THE REAL PROPERTY AND APPURTENANCES THERETO KNOW AS 35-37 EAST BROADWAY, NEW YORK, NEW YORK 10002 LISTED AS BLOCK 280, LOT 42 IN THE OFFICE OF THE COUNTY CLERK AND REGISTER OF NEW YORK COUNTY, NEW YORK,

DEFENDANT-IN-REM.
----------------------------------------x

DEPOSITION of NI JI XIONG, taken by Plaintiff at the offices of the United States Attorney, One St. Andrew's Plaza, New York, New York on Tuesday, March 5, 2013, commencing at 10:24 a.m., before Ellen Gianoulakos Cruz, CSR, RMR and Notary Public within and for the State of New York.

A P P E A R A N C E S:

PREET BHARARA
United States Attorney for the Southern District of New York
Attorneys for Plaintiff
One St. Andrew's Plaza,
New York, New York 10007

BY: ALEXANDER J. WILSON, ESQ.

LAW OFFICES OF CAROL M. LUTTATI
Attorney for Claimant Won & Har Realty Corp.
150 East 58th Street,
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BY: CAROL M. LUTTATI, ESQ.

HENG WANG & ASSOCIATES, P.C.
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7 Mott Street, Suite 600A
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BY: KENNETH HAYES, ESQ.

GALLET DREYER & BERKEY, LLP
Attorneys for Claimant David Gao
845 Third Avenue - 8th Floor
New York, New York 10022

BY: MORRELL I. BERKOWITZ, ESQ.

ANTHONY CHEH, ESQ.
Attorney for Claimant Hua Chen
101 West 12th Street, Suite 4B
New York, New York 10011

ALSO PRESENT:

PATSY ONG, Mandarin Interpreter
MARCO DA SILVA, Paralegal
DAVID GAO, Claimant
CONNIE CHAN (Present until otherwise noted.)

IT IS HEREBY STIPULATED AND AGREED that the filing and sealing of the within deposition be, and the same are hereby waived;

IT IS FURTHER STIPULATED AND AGREED that all objections, except as to the form of the question, be and the same are hereby reserved to the time of the trial;

IT IS FURTHER STIPULATED that the transcript is to be certified by the reporter.

Ni Ji Xiong

N I J I X I O N G, called as a witness, having been first duly sworn by Ellen Gianoulakos Cruz, a Notary Public in and for the State of New York, and through Mandarin Interpreter Patsy Ong, was examined and testified as follows:

EXAMINATION BY
MR. WILSON:

Q Mr. Ni, have you ever been deposed before?
A Yes.
Q Even so, I'm just going to go over a couple of little ground rules to make sure you understand the process, okay.
So the first one, and the most important for the reporter, at least, is that any time you are going to answer a question, just make sure you actually answer it by saying something, yes or no, for example, and not just nod your head because the court reporter can't record it if you just nod your head; do you understand?
A Yes.
Q During the course of the deposition, your lawyer may object from time

to time -- that's for purposes of the record in this case -- but unless he directs you not to answer a particular question, you should go ahead and just answer it.
And if at any time you think that your answer to a question may involve something that's privileged between you and your attorney, you should feel free to just ask to speak to him for a moment and you are free to do that.
Other than that, I'd ask that you answer whatever question I have asked before making a request to speak to your attorney.
MR. BERKOWITZ: A point of information. Are people who are not parties present? I mean, are they allowed to be present?
MR. HAYES: It seems like that's the case.
MR. CHEH: I would have to object to their participation if they are nonparties.
MR. WILSON: That's fine.

I think that as long as we are not getting into the substance -- you were suggesting that she'd be leaving shortly. I think when we get to the substance --
MR. HAYES: I think once we get done with the instructions. She wanted to familiarize herself with the process.
MR. CHEH: That's fine.
MR. WILSON: I have no problem with that.
MR. HAYES: I needed her help just in bringing Mr. Ni over.
MR. WILSON: No, and that's no problem. I think it's correct that I don't think she is entitled to be here and I don't think she should be present since she is also a witness on the substance, but we're not there.
MR. HAYES: That's why she is here, to help with that.
MR. WILSON: That's fine.

MR. BERKOWITZ: That may save time.
MR. WILSON: Well, yeah. You'd like to think so, but I don't know that it will.
Q Anyway, if at any time you need to take a break, you want to use the restroom, that's fine, just let us know.
Again, I'm just going ask that you answer whatever question I have asked before you make that request.
Do you understand all of that?
A Yes.
Q As I'm asking questions, if there are any that you don't understand or that you don't hear completely, I'm going to ask that you say to me that you didn't understand or that you didn't hear it and ask me to repeat it or to ask a different question that's clearer.
A Yes.
Q If you don't do that, we are all going to assume and the record is going to show that you did understand my question

when you answered it, okay?
A Yes.
Q All right; the other thing that I'm just going to do given the nature of the proceeding, obviously you are represented here by counsel.
I just want to confirm that you understand that your testimony in this deposition could be used against you in a criminal proceeding; do you understand that?
A Yes.
Q And do you understand that if you -- well, you understand you have the right not to answer questions if they may incriminate you by invoking your Fifth Amendment right; do you understand that?
A Can you explain that again?
Q Yes; if I ask a question and the answer to that question would incriminate you, would tend to subject you to criminal penalty to suggest that you committed a crime, you can assert your right under the Fifth Amendment -- I will finish and then you -- and refuse to answer the question, and

Ni Ji Xiong

if you want to take a minute to talk to your counsel about this to clarify, that's fine.

(Discussion between counsel and the witness.)

Q You understand you have the right not to answer those types of questions?

A I do.

Q And you understand that if you testify falsely in this deposition, that could result in you being prosecuted for perjury or for making false statements to a federal law enforcement official; do you understand all of that?

A Yes.

Q Okay.

MR. HAYES: Done with the preliminaries?

MR. WILSON: Yes.

(Connie Chan leaves the room.)

MR. WILSON: Mr. Da Silva will walk you out.

Q Mr. Ni, how old are you?

A Fifty-four.

Ni Ji Xiong

Q And where were you born?

A I was born in China.

Q And where did you grow up?

A China.

Q When did you first move to New York?

A In '89.

Q Have you been here since 1989?

A Yes.

Q How far did you go in school?

A I attended high school in mainland China.

Q After you left school, what was your first job?

A I was in the military.

Q How long were you in the military?

A Two years.

Q And what did you do after you left the military?

A I worked in a factory.

Q How long did you work in the factory?

A Nine years.

Ni Ji Xiong

Q And what did you do after that?

A Then I came to the United States.

Q And what did you do for work when you arrived in the United States?

A I made deliveries for a wholesale company.

Q What was that company?

A It was called Xing Xing.

Q And where was it based; what part of the city?

A 136 East Broadway.

Q How long did you do that?

A One year.

Q And what did you do next after you stopped doing deliveries for Xing Xing?

A Then I had four partners and we also made deliveries.

Q You had a business making deliveries with four partners?

A Yes.

Q What was the name of the business?

A Hong Wei, it was called. H-O-N-G W-E-I, phonetic spelling.

Ni Ji Xiong

Q And who were your partners?

A I don't quite remember the names because it was a long, long time ago. There was one called Bao Shui, B-A-O S-H-U-I. I believe another one's last name is Chen, C-H-E-N, and the rest of his name is J-I-N-G G-U-O. And then a woman with a last name of Lin, L-I-N.

Q How long did you have that Hong Wei delivery business for?

A Two years.

Q And what did you do after that?

A Then the company was closed down.

Q And what did you do after the company closed down?

A Then I was engaged with a driving school.

Q Where was the driving school?

A It was on 47 East Broadway, third floor.

Q What was it called; do you remember?

A It was called Fujian Driving School, F-U-J-I-A-N.

Q How long did you work there

Ni Ji Xiong

for?

A Four years -- correction, ten years.

Q What year does that bring us to? What year did you stop working for the driving school?

A I'm trying to think if it was 2008 or 2009.

Q Okay; either 2008 or 2009?

A It was 2009.

Q Okay; and what did you do after you stopped working with the driving school?

A Then I was in the DVD rental business.

Q And when you say you were in the DVD rental business, did you have a company that was in that area?

A Yes.

Q What was the name of the company?

A It was also called Hong Wei, H-O-N-G W-E-I.

Q Is there a reason that you called both these companies Hong Wei; does it

Ni Ji Xiong

have some significance to you?

A No, no significance.

Q Did it mean something in particular in Chinese?

A It's just a company name. It doesn't signify anything.

Q Okay; and where was the DVD rental company based?

A At the beginning, it was at 49 East Broadway on the second floor.

Q And did it move somewhere?

A Yes, after one year, it moved. It moved to 32 East Broadway, first floor.

Q And how long did you have that company?

A Ten years.

Q Okay; a little while ago, you had said that you started the DVD rental company in 2009; did you mean '99, maybe?

A I believe so.

Q Just because we are only in 2013.

A I believe it was -- it was opened from 1999 to 2009, if we are in 2013 now.

Ni Ji Xiong

Q And was this a retail store; did people just walk in and rent DVDs?

A Yes.

Q And it closed in 2009?

A Yes.

Q Between 1999 and 2009, were you doing any work, other than running the rental business?

A No.

Q When did you become involved with TYT East Corp.?

A I think it was either 2006 or 2007.

Q And what was your role with the company when you started?

A At the beginning, it was my former wife who was engaged in the money-wiring business and so, therefore, the TYT was formed.

Q And what's your former wife's name?

A Zeng, Z-E-N-G --

MR. CHEH: Z-H-E-N-G, just for consistency.

A Fen, F-E-N.

Ni Ji Xiong

Q And when did you get married to Ms. Zheng, is it?

A We got married in '88.

Q And when did you get divorced?

A The divorce was sometime in '96.

Q And when did your former wife become involved in the money-wiring business?

A At the time TYT was formed.

Q And when was that?

A I don't remember the exact time.

Q Can you tell us approximately, as best you recall?

A I think it was at that time also.

Q When you became involved?

A I don't remember when.

Q Were you involved in running TYT from the beginning?

A No.

Q Okay; and you started being involved in 2006 to 2007, is that right?

A Yes.

Q So there was some period before then when your wife was -- or your ex-wife was involved in the business but you weren't

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involved, is that right?

A Yes.

Q From the time you became involved, who owned TYT?

A It was also Zheng Fen.

Q And anyone else; were there any other shareholders in the company?

A No.

Q Were there any other employees when you first became involved?

A Yes.

Q Can you tell us their names?

A Connie Chan.

Q Anyone else?

A My daughter Lilly.

Q Anybody else?

A No.

Q Did Ms. Chan have a particular title or role in the company at that time?

A She was helping out in the company.

Q And how about your daughter; what was her role?

A She was at the front desk handling

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the money wiring.

Q And where was the company located when you started working there?

A It was at the basement of 32 East Broadway.

Q And exactly what was the nature of the business that you were doing at TYT?

MR. CHEH: Time period?

MR. WILSON: In 2006 when you first became involved.

A I believe that at that time, I was preparing to rent 35-37 and that under the company -- under the name of the company TYT, I was interviewing lawyer -- interviewing lawyers.

I believe that that started in 2007.

Q I want to come back to that in just a second, sir; but first, was there any other business that TYT was doing in 2006/2007 when you started?

MR. CHEH: Mr. Wilson, for clarification, we are speaking at all times right now about TYT East Corp.?

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Ni Ji Xiong

MR. WILSON: That is my understanding, but I will confirm with the witness.

MR. CHEH: Thank you.

Q Mr. Ni, to be clear, when I am referring to TYT East, I'm referring -- or when I'm referring to TYT, I'm referring to TYT East Corporation, the company that is a claimant in this action, and the company that's the lessee of 35-37 East Broadway; do you understand that?

A Yes.

Q So when I say TYT or TYT East, you will know that I mean that company and not any TYT corporation that may be out there, if there is another one?

A I understand.

Q And just to be clear, are there any other companies named TYT owned by you or your wife, aside from TYT East Corporation that's a party here?

A No. At what time?

Q Well, let's start -- at any time. Tell us any companies that there have

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Ni Ji Xiong

been since you became involved in 2006? Are there any other companies since 2006 using the name TYT?

A No.

Q Okay; so we are all on the same page, that it is just the one company?

A Yes.

Q Okay; so in 2006/2007, aside from preparing to rent the building, what business was TYT doing?

A TYT was not involved in preparing to rent, it was only engaged in money wiring.

Q Okay; and exactly what type of money-wiring business were they doing; can you just explain the business to us?

A I don't know much about it.

Q Whatever you know, if you could just explain your understanding of the business.

THE INTERPRETER: The interpreter was asking Mr. Ni the name of a company that he mentioned. Mr. Ni's answer to the question was:

Ni Ji Xiong

A It served as an agent for a company called, Qiao Hui Tong, phonetic spelling -- there is probably an English name for that -- and it facilitates customers sending money from a bank either to China or even within the United States.

The spelling of the company is Q-I-A-O H-U-I T-O-N-G.

MR. CHEH: I'm sorry, could you repeat the spelling, please?

THE INTERPRETER: Q-I-A-O H-U-I T-O-N-G.

Q Do you know where that company is based?

A 32 East Broadway.

Q That's where TYT was based?

A Yes.

Q The company that TYT was an agent for, which I won't try to pronounce, do you know where that company was based?

A That, I don't know.

MR. BERKOWITZ: What was the other company agent for TYT?

Ni Ji Xiong

I didn't understand that when you first said it.

MR. CHEH: I think she said that TYT was the agent for that company.

MR. HAYES: I believe so.

MR. WILSON: I believe so also, and obviously -- I think you will have some time and you can follow up if it is important to anyone to clarify.

Q How did TYT make its money from this money-wiring business?

A It was only commissions; well, it made money from service charges. The Qiao Hui Tong would take a portion from the bank and -- in wiring the money.

Q And what percentage of those service charges would TYT get as opposed to Qiao Hui Tong?

A I don't know.

Q Do you know how much money TYT was making monthly in 2006/2007 through this business?

Ni Ji Xiong

A I don't know.

Q Aside from your ex-wife, Connie Chan, and your daughter, is there anyone else who would know about that business?

A Well, a lot of customers who came to the business knew about it.

Q Anyone else who ever worked there who would have knowledge about it?

A Know about what?

Q About the business; was there anyone else who ever worked for the business?

A I don't know.

Q Do you know anyone who worked for Qiao Hui Tong?

A Well, it had a regional manager in charge of our region.

Q And who was that?

A A person with the last name of Zang, Z-A-N-G.

Q And did you ever meet him?

A Yes.

Q Where was that?

A In Chinatown.

Q Any particular location?

Ni Ji Xiong

A I don't remember. Sometimes I just call and he will show up at 32.

Q Do you remember his phone number?

A I no longer have it.

Q You don't remember it or you just don't have it and there is no way you could get it?

A I no longer have his phone number.

Q You said that when you became involved with TYT, you started working on acquiring 35-37 East Broadway or acquiring the lease, is that right?

A Yes.

Q And were you acting on behalf of TYT at that point?

A Yes.

Q How did you first become aware of the possibility of leasing the building?

A At the time, it was through a real estate company called Long Cheng Realty. L-O-N-G C-H-E-N-G.

Q And do you remember who you dealt with there?

Ni Ji Xiong
A The one in charge.
Q Do you remember -- withdraw that.
A I can't remember the name.
Q Man or a woman?
A A man.
Q If it comes to you, sir, please let us know; otherwise, if you don't remember you don't remember and we can move on.
What did whoever it was that you talked to at the real estate company tell you about the building?
A At the time, he told me about the rental of the building and the circumstances and to -- and to seek out the attorney called Fang Liu Ming. F-A-N-G is the last name, L-I-U M-I-N-G.
Q And when you say the circumstances, what do you mean; what circumstances did he tell you about?
A At the time, we were engaged in talks for a long time, for a few months.
Q You and who were engaged in talks?

Ni Ji Xiong
A Oh, this attorney, Fang, F-A-N-G.
Q I want to just stay for a moment with the conversations you had with the real estate agent who first alerted you to the building.
A All he did was he referred me to talk about this with the attorney.
Q And why were you having conversations with the real estate agent in the first place?
A Because when you want to rent a place, if you want to rent a storefront, you always go through a realty company.
Q And were you looking to rent the whole building at that time?
A Yes.
Q Why?
A As an investment. It was a business deal.
Q What led you -- well, withdrawn.
Had you ever rented a building or managed a building before?
MR. HAYES: Objection to

Ni Ji Xiong
form.
A Just the 32 East Broadway, first floor location. After we rented it, then we divided it up and rented to others.
MR. CHEH: Can we get a clarification? When you say have you ever rented --
A To different shops that sold clothes or shoes or cellphones. It was a small mall.
Q This is -- can you just say what the location was again where this happened?
A 32 East Broadway.
MR. CHEH: For clarification purposes, when you said had you ever rented a building before, were you referring to him personally or any corporation he may have been affiliated with?
MR. WILSON: All right, let's go off the record for a minute.

Ni Ji Xiong
(Off the record discussion.)
(Recess.)
MR. WILSON: Back on the record.
BY MR. WILSON:
Q Mr. Ni, aside from this prior time renting the first floor of the other property, had you personally had any experience managing rental property?
A Which place are you referring to?
Q The one that you just described the first floor of?
MR. CHEH: 32 East Broadway.
Q 32 East Broadway, right?
A No.
Q Who were your subtenants at 32 East Broadway?
A At the beginning, there were three entities.
Q And who were they?
A There was one place that sold gold, another one sold cellphones, and there was

Ni Ji Xiong

another shoe place.

Q And did TYT ever sublease any other property, aside from the first floor of 32 East Broadway, prior to 2008?

A Sublease other places?

Q Yes.

A Another place was at number 59 East Broadway on the first floor.

Q And when did TYT lease that property?

A I have to look at my records. I don't remember, but I believe it was at the same time.

Q Do you still have either of those properties today, and by -- sorry, withdrawn.

Does TYT still lease either of those properties today?

A Not anymore.

Q When did you stop leasing those two properties?

A For 32, I believe it was the first half of 2009. And as for 59, it only operated for two years and then it closed down.

Ni Ji Xiong

Q So when you began inquiring into 35-37 East Broadway, were you looking to rent an entire building?

A Yes.

Q Why the whole building instead of another first-floor space?

A Because at the time, the landlord wanted to rent out the whole building.

Q So that was something that they required in order to rent you the first floor?

A Yes.

Q Who did you discuss the deal with on behalf of the landlord?

MR. HAYES: Objection to form.

A The negotiation was between my attorney, Fang, and the landlord's attorney.

Q Did you ever speak with anyone who worked for Won & Har about the lease?

A No.

Q Have you ever spoken to anyone from Won & Har -- withdrawn.

Have you ever spoken to anyone

Ni Ji Xiong

who works for Won & Har?

A No.

Q Have you ever spoken with an attorney representing Won & Har?

A No.

Q You said you started the negotiation process in 2007, is that right?

A Around the time of 2007, 2006.

Q And you ultimately entered into the lease in 2008?

A Yes.

Q And in the first half of 2009, you stopped renting out 32 East Broadway, the first floor?

A Yes.

Q Did TYT have any other businesses, between signing the lease on 35-37 East Broadway and today, other than within that building and the space at 32 East Broadway?

A No.

MR. WILSON: I will mark as Government Exhibit 1 a copy of the lease between Won & Har Realty

Ni Ji Xiong

Corporation and TYT East Corp. I have one for each of you.

(Whereupon, a copy of a lease between Won & Har Realty Corporation and TYT East Corp. was marked as Government Exhibit 1 for identification.)

Q Just take a moment to look at the document and let me know whenever you are ready to answer some questions about it.

(Witness examines.)

Q Ready, sir?

A I can't read English, but I did see the signatures, names of individuals, company names.

Q Are you familiar with the document; do you know what this is?

(Witness speaking to interpreter.)

MR. WILSON: Let me stop you there, sir, and let the translator translate.

A Well, going by the landlord, by the rental chart, by the TYT East Corporation,

Ni Ji Xiong

as was the landlord's company, and then in the back, there was a -- there is a signature, an ID of a representative from Chen Hua, C-O-N-G H-U-A -- correction, C-H-E-N space H-U-A, as well as Zheng Fen's signature, Z-H-E-N-G -- correction, Z-E-N-G F-E-N, going by Zheng Fen's signature as well as the 35-37 subtenant and the deposit.

Q Sir, you are aware there is a lease between Won & Har Realty Corporation and TYT East Corp. for 35-37 East Broadway, right?

A Yes.

Q And this is that document, right, Government Exhibit 1?

A I can't read English. I don't know if the English text talks about that.

Q Was there a Chinese language lease that you signed with Won & Har?

MR. HAYES: Objection to form.

A No.

Q Was there a Chinese language lease that TYT East Corp. signed with Won &

Ni Ji Xiong

Har?

A Yes.

Q Was there a lease between TYT East Corp. and Won & Har Corporation that was written in Chinese?

A No.

Q So let me ask a different question; you negotiated the terms of the deal between TYT East Corp. and Won & Har Realty Corp., is that right?

MR. HAYES: Objection to form.

A I did not negotiate directly with the landlord.

Q Okay; were there terms that you asked be included in the agreement with the landlord?

A Can you please repeat that?

Q Yeah; were there any terms that you wanted included in the agreement with the landlord?

A At the time, I raised those conditions with our own attorney.

Q What were those conditions that

Ni Ji Xiong

you wanted included in the agreement?

A Well, each time, along with Chen Hua, we discussed those matters with our attorney, Fang.

Q Right; but what were the matters that you wanted to have included in the agreement?

A I don't remember.

Q Do you know if the conditions that you wanted included in the agreement, whatever they were, were ultimately included in the agreement?

A If the landlord were in agreement, then they were included. Otherwise, not.

Q Okay; some of them were included and some of them weren't, is that right?

A I believe so.

Q How do you know or -- withdrawn.

At the time, did you know which were included and which weren't included?

A I believe so.

Q How did you know that -- well,

Ni Ji Xiong

withdrawn.

Did someone ever translate the lease that was agreed to between TYT East Corp. and Won & Har Realty Corporation into Chinese so you could read it?

A No.

Q How did you know what conditions were in the agreement and what conditions weren't in the agreement?

A Well, at the time, our attorney told us orally what the situation was, and my understanding was that as long as the landlord agreed to those conditions, they were included, but as I don't read English, I don't know if in the end they were written in.

Q Okay; do you have any information about the terms of your agreement -- withdrawn.

Do you have any information about the terms of TYT East Corp.'s agreement with Won & Har Realty Corporation, from any source other than your attorney?

A No.

Q And that's Mr. Fang, is that

Ni Ji Xiong

right?

A Yes.

Q How about the amount of rent; did you know what the amount of rent you were agreeing to pay was?

A I did know.

Q And how did you know that?

A Well, because of the rental chart that the attorney Fang gave to us.

Q Would you turn to Page 25 of the document in front of you, sir; is that the same chart as your lawyer gave to you?

A Yes.

Q And you were able to understand that?

A Yes.

Q Okay; how did these amounts of rent get agreed to between TYT East Corp. and Won & Har?

A Can you please repeat that?

Q Sure; well, I will ask a different question; when you agreed to pay this amount of rent, what was your understanding of the basis on which these --

Ni Ji Xiong

withdrawn.

Did you have an amount of rent you wanted to pay when you were negotiating this deal?

A When he first produced this rental chart, we did talk about -- talk about it with the former shareholders to see if it were acceptable.

Q Okay; before any chart was produced, when you were first considering renting the property, did you have an amount of rent in mind that you wanted to pay for the property?

A No, I did not.

Q Just to make sure I'm clear, you never had a number that you wanted to pay in rent?

A That's not true.

Q Okay; what was the number that you wanted to pay in rent?

A My intention was to pay rent according to what was in the agreement to the landlord.

Q When you were setting out to

Ni Ji Xiong

make an agreement with the landlord, there was no set amount of rent, right; that was one of the terms you were going to agree on?

A Yes.

Q And so in a negotiation, Won & Har would say, we want this amount of money, and you would say, we want to only pay this amount of money, and then you would negotiate the amount you actually would agree to pay, right?

A Yes.

Q Okay; so what was your initial position on how much money you should pay in rent?

A Well, as we were renters, we did not have the right to request anything. We had to go by what the landlord asked for.

Well, we were just evaluating how much we could rent it out for, what the income would be, whether it would cover the rent as well as expenses, and what kind of profit we ended up at. That was what we went by.

Q Okay; so is it your testimony that the amounts in the chart are just what

Ni Ji Xiong

Won & Har said the rent was?

MR. HAYES: Objection to form.

A You mean this?

Q Yes.

A Yes.

Q And there was no negotiation about the amount of rent?

MR. HAYES: Objection to form.

A Yes, we did negotiate.

Q Okay; what did you propose in the negotiation?

A Well, what we suggested, for instance, on the sixth year, that the rent -- when the rent rose to $75,000, that was too high.

Q Okay; you said, for instance; what other objection --

A Yes, at that time we did raise this issue.

Q What other issues did you raise at the time?

A That's all. I don't remember,

Ni Ji Xiong
because some of the issues we raised -- we did raise it through the attorney with the landlord and maybe some were not accepted.
And also, there was a question of the five percent increase every year.
Q Okay; what five percent increase every year?
A Well, starting from the eighth year, the increase would be five percent a year.
Well, at the time, we proposed that the increase be two percent or three percent. We proposed it through our attorney, but he would not agree.
And also, for the fifth year, the rent would be at $45,000 at a five-percent increase, and so for the sixth year, it should not jump to $75,000. That was another issue we raised.
Q Any other issues you raised?
A I should think so, but I don't remember.
Q Were any of the issues that you raised agreed to by the landlord?
MR. BERKOWITZ: With

Ni Ji Xiong
respect to rent?
MR. WILSON: I will rephrase the question.
Q Any of the changes you suggested in the rent, did the landlord agree to any of them?
A No.
Q So, the rent ended up being the same as the landlord initially proposed it, is that right?
A Well, at the end, these were the final answers that our attorney gave us.
Before -- before then, whether I would believe that there were changes made when the TYT attorney negotiated with the landlord's attorney.
Q Okay; so what did you understand your lawyer's initial position was on how much rent you should pay?
A That was between -- that was in the discussion that he had with the landlord's attorney and this was the final product.
Q Who from TYT was in charge of arranging the lease of this building?

Ni Ji Xiong
A Chen Hua. C-H-E-N H-U-A.
Q So is he the one who dealt with the lawyer for TYT about this matter?
A Yes, he was also present. I was, too.
Q Okay; so you were present for the meetings with their lawyer about this agreement?
A Yes.
Q Did you give him any directions as to how much rent TYT could afford to pay as part of this deal?
A No.
Q Okay; did you tell him an amount at which you wouldn't do the deal?
A So the issue did not rest on what rental -- what amount of rental income it should not exceed, it rested on to what extent we could rent the place to subtenants.
Q Okay; when you say that it rested on the extent to which you could rent the place to subtenants, what specifically do you mean; what was the issue that was your concern?

Ni Ji Xiong
A We were going to sublease all of it.
Q Okay, let's start here; did the landlord at some point take the position that you couldn't sublease all of it?
A No, because when the attorney negotiated the lease, there was an understanding from the landlord that we could sublease.
Q And as long as you could sublease the whole building, the amount of rent wasn't an issue?
A Right, right. Taking away expenses, as long as we can afford the paying the rent to the landlord, then we could rent the building.
Q Okay; you testified a bit earlier that you had a process that you went through to determine if you could afford to pay the rent to the landlord, is that right?
MR. HAYES: Objection to form.
A That analysis was done by the attorney and it was -- the analysis was made once we paid the landlord the rent, whether we

Ni Ji Xiong
are able to at least break even from the rents that we collected, and this was not discussed with the other side's attorney.
Q Okay; so the landlord -- sorry, withdrawn.
Your lawyer performed an analysis about whether you could afford the rent, am I understanding you right?
MR. HAYES: I object. You asked about the details of the conversation with the lawyer.
MR. WILSON: I'm asking, and he already testified, there was an analysis.
A No, our attorney did not -- didn't do that analysis.
Q Your attorney did not do the analysis?
A Right, it was -- okay, no, it was among the shareholders that we considered whether we could rent this out and, therefore, be able to afford the rent.
And as for the sixth year with the rent jumping to 75,000, our attorney did discuss

Ni Ji Xiong
and analyze this issue with us.
Q Okay; so among the shareholders, you discussed this issue, is that right?
MR. HAYES: Objection to form.
A Yes.
Q Is there any particular shareholder of TYT who did an analysis of this?
A Before the lease was signed, and before there was a formal formation of the shareholders, there were investors who discussed this issue with me.
Q Okay; did you do anything to gather information that related to that discussion?
A It was based on my ten to 20 years experience on East Broadway and projecting how much rent could be asked for.
Q Okay; how did you calculate the amount of total rent that you could ask for for the building?
A You see, at the time, the third

Ni Ji Xiong
through the sixth floors of this building used to be garment factories, so it was in a very old -- it was in an old and damaged state. So for a floor space of 4,000 feet on each level, the rent was about 5,000.
Well, my plan was to renovate the whole building and partition the space and then rent it out, and based on the prevailing rent and surface area of that area and how much rents similar spaces yielded, I did a projection.
Q What was the total projected rent you thought you could get from the space?
A You mean --
THE INTERPRETER: The interpreter needs to supplement the other answer. The witness also said that, therefore, the rent was double. So it had been 5,000, it could be rented out for 10,000.
The witness just asked if the projection you asked for were -- is for each month or for

Ni Ji Xiong
how long?
MR. WILSON: For each month.
MR. CHEH: I'm sorry, I don't want to interrupt you, but there is one thing I'm totally confused about. The 5,000 and then doubling to 10,000, is that per floor or...
MR. WILSON: I'm going to...
MR. CHEH: Okay, thank you.
MR. WILSON: Don't worry.
A Well, at the time, our projection, which, if it were all rented out, our projection was that the rent would be a hundred thousand.
Q Okay; 100,000 per month?
A Yes.
Q Let's walk through and break that down; there are six floors in the building?
A Yes.
Q And you said the third to sixth

Ni Ji Xiong
floors had been garment factories, is that right?
A Yes.
Q And you were going to partition them?
A Yes.
Q How much rent did you believe you could get for each of those floors?
A Well, besides the 10,000, we had to consider the other expenses, like electrical; if it were entirely rented, then the electrical cost would be higher.
Then, we also had to consider the property tax as well as insurance as expenses.
Q Let's just start, though, with the base rent; your view was that for each of those floors, you would be able to get $10,000 a month in rent?
A Ten thousand, yes.
Q And how many partition suites were you planning to have per floor?
A In the end, five to six spaces were planned for -- on each level.
Q And how large would those be?

Ni Ji Xiong
A Between 300 to 700 feet.
Q And how did you determine that for those -- the total rents for those five to six spaces would be $10,000 per month?
A Well, we were going by the prevailing rent in other buildings on East Broadway.
Q What other buildings did you consider?
A There are quite a few buildings on East Broadway that were considered. Those that had been renovated, and they are more up-market; for example, 11 East Broadway is like that, including Number 17 to 23, that building, as well as adjacent to us, number 39, and 41, those buildings.
And then another building that's bigger is number 2 East Broadway, and for that building, the rent is lower, a bit lower. And also 52 East Broadway. And also the building of our former place at 32, the upper floors. Those were the commercial buildings that were rented.
Q And how did you gather information on the rents in those buildings?

Ni Ji Xiong
A Well, because we are familiar with the agents in real estate companies for these commercial spaces.
Q Okay; which agents did you talk to about this?
A That's not from talking with them, it's from having contact with them over the years and gaining an understanding of the market.
Q Okay; which agents are you referring to who you'd gain an understanding of the market from over the years?
A The one that I brought up earlier, long Cheng Realty. L-O-N-G space C-H-E-N-G. And then Jian Ye, J-I-A-N Y-E Realty, and then Wan Cheng Realty, W-A-N C-H-E-N-G Realty.
And these are the realty companies in Chinatown that rent out shop fronts. They were the main ones -- they are the main ones.
And then also there is 21st Century Realty.
Q And based on this, what did you believe the prevailing rate per square foot was?

Ni Ji Xiong
A Are you referring based on the surface area or a unit or a building?
Q Well, what was the measurement you used in evaluating this agreement?
A It was based on the prevailing rate -- based on the approximate office rent at the prevailing rate on East Broadway at that time.
Q When you say the office rent, what do you mean by the office rent?
A Did you just ask me how much the rent was?
Q I am asking you what you mean when you say the prevailing office rate; what do you mean by that?
A I used the prevailing office rental rate on East Broadway at the time to evaluate the rents here to see if we can make a profit.
Q When you say the office rate, do you mean the rate that was being charged for a single office?
A Yes.
Q Okay; and your understanding --

Ni Ji Xiong

well, withdrawn.

What was your understanding that the prevailing rate per office was at the time on East Broadway?

A Well, that would be based on the building's degree of renovation, the management, as well as the decoration of the building.

Q Okay; what is the number that you used to evaluate whether you could pay the rent in this deal?

A How do I evaluate that?

Q Let me try it a different way; you said that you looked at the prevailing office rate to decide whether you'd be able to rent out your space for enough to cover the rent that you had to pay; am I fairly stating what happened?

MR. HAYES: Objection to form.

A Yes.

Q So you took a rate that you thought, based on these other buildings, was appropriate, and you used it to determine how much rent you'd be able to charge, is that

Ni Ji Xiong

right?

A Yes.

Q What was that number?

A As I said, it was based on how old the renovation for the building is and also the size of the space.

Q Sure; what was it; what was the rate, based on all those factors, that you thought was appropriate?

A Well, we were partitioning the space and they were of different sizes. They were partitioned into five or six, and they were rented out according to the size.

Q Okay; my understanding was that you were saying there was a particular general office rate, which is obviously my misunderstanding.

MR. HAYES: Objection to form.

Q So do you want to explain to me the rate that you were using as it now relates to the size of the office?

A For most of the buildings on East Broadway, the calculation is not based on square

Ni Ji Xiong

foot. It just depends on whether the size of the space meets your needs. Someone would not say, I need a 300-square foot space. It was just an estimate. For the size approximately, the rent is X.

Q What is X for each of the sizes of the rooms you were creating?

A In our situation, if it were around 400 square feet, it's about 3,000. Well, we include the utilities, and because utilities are included, we look at the type of business it is, and if they have a lot of client flow, then they would use more of the utilities, so the rent would be higher.

Q Okay; I'm still talking about what your prevailing rate that you used to evaluate the deal was; that didn't vary by the type of business, right?

MR. HAYES: Objection to form.

A It's based on the size -- well, the line of business has something to do with how much rent.

Q Okay; what lines of business

Ni Ji Xiong

did you think you were going to be able to rent to when you were evaluating the agreement?

A It depends on the tenants who inquire.

Q All right, sir, when you were deciding if you could pay this rent, you told me earlier that you based the decision that you could on the fact that you could get $10,000 per floor a month for floors three through six, is that right?

MR. HAYES: Objection to form.

A A little over 10,000, correct.

Q Explain to me the calculation you did that got you to $10,000?

A It was based on the surface area, based on the five and six units that were going to be created, the size of those units, and also rents collected by other buildings.

Q I'd like you to do the math for me, and I'm happy to give you a piece of paper and we can make that an exhibit, if it would be easier for you on paper.

Ni Ji Xiong

A No problem.

Q Would you like paper or do you want to walk through it just telling us?

A Either way.

MR. WILSON: This will be Government Exhibit 2. Once the witness has done the calculation we will mark it for identification.

Q Here is a pen. If you could just please put forward the calculation that you did to get from your five to six rooms or your square footage to $10,000.

MR. HAYES: Objection to form.

(Whereupon, a piece of paper written on by the witness was marked as Government Exhibit 2 for identification.)

A You have two columns of numbers. One column is if the utilities as well as the management fees were included in the rent, and the other column is when they are not.

(Handing.)

Ni Ji Xiong

MR. WILSON: For the record, I will say that these are three columns of numbers that the witness has written on the document that is now Government Exhibit 2.

MR. CHEH: Can I take a quick look at that, please?

MR. WILSON: Yes. Why don't you pass it around and everyone can take a look before we go ahead.

THE WITNESS: Does this attorney have the right to know about our business?

MR. WILSON: All parties to this action are entitled to know anything that happens in this deposition.

MS. LUTTATI: Maybe during the lunch break, we can make photocopies of that for everybody.

MR. WILSON: Certainly.

(Pause.)

Ni Ji Xiong

Q So, Mr. Ni, I just want to walk through this for a second to make sure that I understand it; now, first, this is one, two, three, four, five different numbers which reflect partitioned spaces on the third floor, is that right?

A Yes.

Q And the second column is the amount of rent that you believe you could charge for these rooms, excluding utilities, is that right?

A Right, the first group of numbers doesn't include utilities. The second does.

Q And the second is the rent, including utilities?

A Yes. Frequently, these were the rents that we would propose, and then just as frequently, we would give the potential tenants a reduction of ten percent or 20 percent because we liked them, so as a result, a $2,000 rent could be reduced to 1800.

But then, it also depended on the size of the space.

Q Sir, I'm just going to ask you

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if you wouldn't mind to just put a little header above each of those rows so we can reflect it and it will be clear for the future.

MR. HAYES: He will write that in Chinese, I would imagine.

(Witness complies.)

A This row doesn't include --

MR. WILSON: Can you just have the translator translate for all of us the headers and then that little addition at the bottom?

A The first column says the room number. The second column says the intended rent, which doesn't include utilities or management fees. The third column includes those. And then --

Q At the bottom of the third column?

A The bottom of the third column says it includes utilities and management fees.

Q Okay, thank you very much.

Sir, if I'm doing the math

Ni Ji Xiong
right, this adds up to 1400 -- adds up to $14,500? Is that right?
A Yes.
MS. LUTTATI: Which column?
MR. WILSON: I'm sorry, the second column without utilities, column number two.
A Yes.
Q So that's more than 10,000, right?
A Yes.
Q So is that the --
A This is the rent that we intend -- the rent amount we intend to ask for, and frequently, there is a reduction.
MR. WILSON: Okay; maybe if you could just draw a line under that first section, the first numbers. I'm going to ask him to do another calculation.
(Witness complies.)
Q Sir, what I want to know is when you were figuring out that you could get 10,000 before you started -- before you had

Ni Ji Xiong
the partitions -- before you had done any of that, when you were negotiating this agreement, what were the rates and spaces that you were adding up to get to 10,000?
A At that time, part of the first floor, the A part, was a restaurant. Together with all of the second floor, the rental was 35,000, and the other half of the first floor, the B part, the rent was 20,000.
The third floor was 15,000, the fourth floor was 10,000 -- the fourth, fifth and six floors were 10,000 each; so all that adds up to 100,000.
Q All right, sir, what I'm asking is how you got to the number 10,000?
A Over here, from here.
Q That's 14,500; how did you come up with 10,000?
A That was just the -- that was just a projection only because further on, there is usually a reduction.
At the time, we are thinking at the very least, at the very least, the rental income would be 10,000 and that is why in the end, I'm

Ni Ji Xiong
giving you this number.
Q Okay; what is an example of the rent charged for a particular space at a particular property you looked at that you used to come up with $10,000?
MR. HAYES: At what point in time?
MR. WILSON: The same point in time as all the questions I have been asking, when he is negotiating the agreement.
A Well, as I mentioned, it was -- as I said, it was based on several buildings and coming up with an average that I arrived at that figure because there was no space that was -- that was exactly equivalent to the space in my building.
Q If you could give me an example of one of the spaces that you used to create that average and what the rent was for that space?
A We could base that on 17 and number 23 East Broadway, and based on the rental units of 250 and 300 square feet, and base their

Ni Ji Xiong
rents are similar to ours.
Q What were the rents there that you considered in evaluating the lease agreement?
A Their rents were between 2,000 and 3,000.
Q When did you first learn that there was gambling going on in 35-37 East Broadway?
A It was the time prior to last year when the police visited the sixth floor.
Q What year was this?
A I believe it was 2011.
Q Was it in March, 2011?
A I think so. I don't remember the exact time.
Q Well, there were two searches that happened in 2011, right?
A No, just one.
Q You are not aware that there was one search in March of 2011 and one search in July of 2011?
A No, I am not aware of it.
Q Okay; how did you become aware

Ni Ji Xiong

of the search that you remember?

A Because the police showed up, and then there was a document sealing that place and it was posted.

Q Okay; where were you when the police showed up?

A At that time, I was on the fifth floor in my office.

Q What office was that?

A 508.

Q And what were you doing at the time?

A I don't remember.

Q How did you know that the police had showed up?

A Later on, a customer mentioned it.

Q Okay; which customer?

A I think that time it was Connie who told me about it.

Q And did you speak with this customer?

A No.

Q Only Connie spoke to the customer?

Ni Ji Xiong

A No, after the customer mentioned it, Connie went up to the sixth floor.

Q This is all the same time as the search is going on?

A Yes.

Q So you were present when Connie spoke to the customer?

A I wasn't present.

Q Okay; where did this conversation between Connie and the customer take place?

A It was in the hallway of the fifth floor, and then Connie came to the office.

Q And what did Connie say when she came into the office?

A She said that the police had arrived on the sixth floor and she's going to go upstairs to look.

Q Okay; and she went upstairs to look?

A Yes.

Q Did you go upstairs?

A I did not.

Q Why not?

Ni Ji Xiong

A Because I don't speak English and I would be of no use.

Q You weren't interested in why the police were there?

A Of course I was interested.

Q Why did you think they were there?

MR. HAYES: I object on the basis of the Fifth Amendment and I direct the witness not to answer the question.

Q You talked to Connie after she went upstairs to the fifth floor?

A No, because she stayed upstairs.

Q Okay; did you -- withdrawn.

Did you leave the office before Connie came back downstairs?

A I did not.

Q Okay; no doubt it was because I'm just missing something; Connie went upstairs and you stayed in the office, right?

A Yes.

Q Did you see Connie again that day?

Ni Ji Xiong

A Yes, after she went upstairs, she came back downstairs.

Q Okay; what did she say after she came back downstairs?

MR. HAYES: I object on the basis of the Fifth Amendment and direct the witness not to answer the question.

Q Did you speak with anyone about this search of your property -- withdrawn.

Did you speak to anybody about this search of 35-37 East Broadway?

MR. HAYES: I again object on the basis of the Fifth Amendment and direct the witness not to answer.

Q Did you do anything in response to the search?

A I hired an attorney.

Q Did you do anything other than hire an attorney?

A We had suspicions about the people who rented that space and Connie wrote down that gambling is not allowed and we wanted to chase

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them out.
Q You say Connie wrote down that gambling is not allowed; can you explain exactly what you mean by that?
MR. HAYES: And again, I object on the basis of the Fifth Amendment and direct him not to answer.
Q Beyond just this particular search, did you discuss gambling activity in the building with anyone at any time?
MR. HAYES: I again object on the basis of the Fifth Amendment privilege and direct the witness not to answer.
MR. WILSON: It is almost 1 o'clock. We can break for lunch.
MR. HAYES: How long do you anticipate having?
MR. WILSON: I probably -- well, it just may be getting shorter. I would say at least an hour, maybe it is less than that,

Ni Ji Xiong
if we are sort of -- if more than I expect is going to be off limits, but I don't think pressing forward and trying to get it done before lunch is going to make sense.
I would anticipate that some other counsel may want to ask some questions when I'm done.
THE WITNESS: How long is lunch?
MR. WILSON: I'm happy to do whatever. Forty-five minutes, maybe you want to take an hour, that's fine.
MR. BERKOWITZ: Let's do an hour to play it safe.
MR. WILSON: Why don't we say 1:45 which gives us slightly more than 45.
(A luncheon recess was taken.)

Ni Ji Xiong
A F T E R N O O N S E S S I O N
MR. WILSON: Mr. Ni, are you ready?
THE WITNESS: Yes.
BY MR. WILSON:
Q Mr. Ni, what do you know about the use of the 35-37 East Broadway for gambling?
MR. HAYES: Objection on the basis of the Fifth Amendment and instruct the witness not to answer.
Q Did you ever discuss the use of rooms or suites in the building for gambling with potential subtenants?
A No.
Q Did you ever discuss with anyone the possibility of using one of the suites in the building for the purpose of gambling?
MR. HAYES: Object on the basis of the Fifth Amendment.
MR. WILSON: What's difference between that one and

Ni Ji Xiong
the one he just answered?
MR. HAYES: Potential subtenants would have been before anyone actually moved in.
The second question could have been anyone from the beginning of time.
MR. WILSON: Okay, fair enough, I guess.
Q What action did you take in response to the allegations that 35-37 East Broadway was being used for gambling?
MR. HAYES: Again, invoke the Fifth Amendment and instruct the witness not to answer.
Q How did TYT find subtenants to rent space in the building?
A They all go through agents for a realty company.
Q Okay; what realty company did you deal with?
A Well, there is an Long Cheng Realty Company, L-O-N-G C-H-E-N-G, and it came back to me that it was Lin, L-I-N, ^ Qi, Q-I,

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Long, L-O-N-G, from Long Cheng Realty, who referred me to the attorney Fang, F-A-N-G.

And also there is Jing Ye Realty, J-I-N-G Y-E. And also there is Da Xing, D-A space X-I-N-G Realty. And there is also 21st Century.

And some came because of a posting on our door with our telephone number and potential renters would call. And sometimes, if there are a lot of vacancies, we take out an ad in the Chinese media in the newspapers.

Q Did you have a process for selecting or rejecting potential subtenants?

A We would only show places if the clients -- potential clients were identified as a law firm, an accountant's office or an association.

If they were offices, then we would insist that they be New York State incorporated companies.

Q Okay; so if I understand right, you would only rent space to law firms, accountant's offices, associations, or New York incorporated companies, is that right?

Ni Ji Xiong

A Yes.

Q Were there any other requirements that you had for potential subtenants?

A Not really. The only difference is that sometimes, the rent includes utilities, sometimes not, and that was -- and those were the determinant on the rent amount, and for some clients, we have higher standards.

Q What do you mean; what were the higher standards?

A Well, we are not allowed to rent to any businesses that are illegal, including gambling or massage parlors.

Q What is the higher -- withdrawn.

When you are referring to higher standards, does that mean you didn't rent to illegal businesses?

A Right. That is a requirement that we have, that if it's illegal, we don't want to rent to them.

Q Do you have any of your potential clients provide you with

Ni Ji Xiong

information about their business?

A Can you please repeat that?

Q Sure; did you require potential clients to provide you with any information about their business?

A Well, we have no right to require that they provide information about their companies, but we would get their credit information.

Q You say you have no right to get information about the companies; what's the basis for that?

A Well, by that, I meant a potential client only required to show that they are incorporated. We would not get their financial picture.

At the most, we would only know the line of business that they are in.

Q Did you not always know what line of business they were in?

A Yes, just the line of business, not anything else.

Q You said a moment ago that at most, you would get the line of business;

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does that mean that on some occasions, you didn't know what line of business the clients were in?

A Correct.

MR. BERKOWITZ: You mean tenants not clients, right?

MR. WILSON: For clarity.

Q When you say clients, you mean people who were renting space from you in the building?

A Yes.

Q You said that you would rent to associations; what type of associations did you rent to?

A Well, people from mainland China. When they come from the same region, most of them would form an association.

Q Okay; how many associations do you rent to?

A I would need to look at the rental records to tell you the details.

MR. HAYES: At what point in time?

MR. WILSON: The entire

Ni Ji Xiong
time is what I'm referring to, but that's fine.
Q Did the associations have credit history?
A No, no, they wouldn't.
Q So what information did you have about an association when you chose to rent to it?
A Their company incorporation records.
Q Were the associations incorporated?
A Yes.
Q All of them?
A Correct.
Q Okay; so you'd have the incorporation records; anything else?
A No, nothing else.
Q How did you know whether the associations would be able to afford the rent?
A Because all these associations get donations from their members.
Q What did you know about the

Ni Ji Xiong
donations that the particular associations were getting from their members?
A Well, just that they get donations. Not being a member, as to which member donates how much, I would not know.
Q Did you know how many members these associations had?
A No.
MR. WILSON: I'm going to show you what will be marked as Government Exhibit 3.
(Whereupon, a letter from TYT East Corp. to Won & Har containing surrender agreements was marked as Government Exhibit 3 for identification.)
MS. LUTTATI: Did you make a copy of Exhibit 2?
MR. WILSON: I did not, but we can do it at the next break. Sorry.
Q Look through that, Mr. Ni, and let me know when you are ready to answer some questions about it.

Ni Ji Xiong
(Witness examines.)
MR. WILSON: Ready, sir?
THE WITNESS: Yes.
Q So on Page 2 of this document -- not Page 2, it is the second page of the document -- there is what is called a surrender -- this is not very helpful, is it.
Mr. Ni, have you seen this document before?
A Yes.
Q Do you know what the document is?
A I can't understand the details as they are in English, but I can tell that this concerns rentals.
Q Okay; do you remember a client called Long Cheng Association, Inc.?
MR. WILSON: And I'm just going to pass the interpreter a copy in case the spelling becomes helpful.
THE INTERPRETER: Thank you.
MR. WILSON: Sure.

Ni Ji Xiong
A I know Long Cheng.
Q What do you know about Long Cheng?
A It's just a name of an association.
Q Right; sir, you can set aside the document for a second.
Since you can't read the English, I'm not going to ask you questions about it; what I'm asking is do you know anything about Long Cheng Association?
MR. HAYES: Objection to form.
A No.
Q Do you remember that Long Cheng Association, Inc. was the subtenant in Suite 601 of 35-37 East Broadway during the time when TYT East Corp. was managing it?
A I do somewhat remember it because associations moved in and out.
Q Did you ever meet anyone affiliated with Long Cheng Association?
A I need to consult the record -- I need to consult the record to see who rented

Ni Ji Xiong

that space and see who the individual was because the names of associations are just too many to know who was what.

Q Well, what record is it that would help you in remembering whether you met with a person from this association?

A Well, I would, because each company will have a representative who brought his or her ID.

MR. CHEH: I'm going to step out a moment. Please continue.

Q Well, what if I told you that the individual's name was Tak Cheung Tung; do you remember that person?

A I don't remember that name.

Q Would you normally meet with some representative of all your tenants?

A Yes.

Q Did you ever spend any time on the sixth floor of your building?

MR. HAYES: Objection on the basis of the Fifth Amendment and instruct the witness not to

Ni Ji Xiong

answer. If you want to rephrase as far as timeframe.

MR. WILSON: No, I'm fine.

Q Did you ever spend time on the fifth floor of your building?

MR. HAYES: Again, object on the basis of the Fifth Amendment -- sorry, I didn't mean to interrupt. I object on the basis of the Fifth Amendment.

Q Did you ever spend any time on the fourth floor of the building?

MR. HAYES: Object on the basis of the Fifth Amendment.

Q How about on the third floor of the building?

MR. HAYES: I object on the basis of the Fifth Amendment.

Q Did you ever spend time on the first floor of your building?

MR. HAYES: I object on the basis of the Fifth Amendment.

Q Would it refresh your recollection about this association if I told

Ni Ji Xiong

you that Long Cheng Association, Inc. was the one leasing room 601 at the time it was searched by the NYPD?

MR. HAYES: Objection to form.

MS. LUTTATI: Alex, can you specify which search?

MR. WILSON: Sure.

A Well, there had been three or four different tenants for 601. Are you referring to last year or the year before last?

Q Let's start with the tenant who was in that room at the time of the first search that you are aware of; remember what tenant was in 601 at that time?

MR. HAYES: Objection to form.

A Well, his nickname is Fatty. I don't know the real name.

Q Okay; so the tenant in 601 at the time of the first search you remember being named Fatty?

A Right, it was a couple.

Q I'm sorry?

Ni Ji Xiong

A It was a couple.

Q When you say it was a couple, what do you mean?

A Husband and wife.

Q So -- and Fatty was the husband or the wife?

A Fatty is a man.

Q And he and his wife were the subtenants?

A Yes, they rented under this company's name.

Q So they rented in the name of a company?

A Well, he is the chairman of Long Cheng Association.

Q Okay; at the time of the second search -- well, withdrawn.

You remember there being two searches that you were aware of, is that right?

A Correct.

Q At the time of the second search, do you remember who was renting Suite 601?

Ni Ji Xiong
A It was an association called Chao Zu Association. C-H-A-O Z-U.
Q Did you ever speak to Fatty at any time?
A Very seldom.
Q What did you talk about on those seldom occasions?
MR. HAYES: Objection on the basis of the Fifth Amendment.
Q Did you ever talk to a representative of the Chao Zu Association?
A I don't know.
Q Now, let's talk about Room 602; at the time of the first search of the property that you remember, who was leasing Room 601 from you?
MR. HAYES: Objection to form.
I'm not directing him not to answer, it is only to form.
The objection to form is because you haven't specified what the first search he remembers by day versus the second.

Ni Ji Xiong
Q Do you remember what the time of the first search is?
MR. HAYES: Objection to form.
A It was in 2011, I think. I don't remember exactly when.
Q Let's assume if I refer to the 2011 search, will you understand that I'm talking about this first one that you recall?
A Yes.
Q Okay; at the time of the 2011 search, who was renting 602?
A I need to consult the record or look at a signed lease.
Q Was Huang Bi Ying the person?
A I think so.
I know Ying is part of his name.
Q Did you ever meet with Ying, whatever his full name is?
A At the time, yes, but not afterwards.
Q At the time -- when was the time when you met with him?
A When he rented the place.

Ni Ji Xiong
Q And do you remember when that was?
A I don't remember.
Q What did you talk about when you met with him?
A What we talked about when we met? We didn't talk.
Q Okay; what happened when you met?
A Well, he was inquiring about renting the place and how much the rent was.
Q What did he say he wanted to do with the place?
A He just said it was going to be an association.
Q Do you know the name of the association?
A I don't remember. I need to look at the records.
Q Did you ask him any questions about how he was going to use the space?
A Well, it was going to be the association headquarters. And I also remember that it was going to be a florist providing

Ni Ji Xiong
fresh flowers for weddings, and also wreaths when someone has passed away.
Q Did you ever talk to him again after that meeting?
A Subsequently, we just greeted each other, but we didn't engage in any conversations.
I remember once he had finished some wreaths for a funeral and I wanted to ask him to take those away earlier in the day because it was not an auspicious item. That was it.
Q Where did you see those?
A Well, I got feedback from the other tenants in the building that it was not an auspicious thing to see the funeral wreaths going -- leaving the building during normal business hours, so I told him that that was not permitted, that those wreaths have to leave for the funeral parlor before the start of a regular business day.
Q Where did you have this conversation?
MR. HAYES: Objection on

Ni Ji Xiong
the basis of the Fifth Amendment and instruct the witness not to answer.
Q At the time of the July -- withdrawn.
At the time of the 2011 search, do you remember who was renting Suite 603?
A I'm trying to remember the association that rented 603.
Q Could it be -- 4?
MR. WILSON: I'm going to ask the translator to pronounce the name since I will no doubt not ask it in a useful way. The line at the bottom of Page 4 of Government Exhibit 3.
A That's exactly right.
Q Did you ever meet with a representative of Xia Zhou?
A Yes.
Q And what was the name of that person?
A I don't know. I don't remember the name.

Ni Ji Xiong
Q When did you meet with him?
A Well, when they were thinking about renting.
Q Any other time?
A No.
Q What did you discuss at the meeting when they were thinking of renting?
A We are talking about -- we were talking about the rent.
Q Did you discuss what the space was going to be used for?
A Well, as the nature of all of these associations goes, it's a gathering place for people who come from the same region, or if they work out of state, it's a place for them in the city to touch down.
They also can meet up with other people, look for people there, and if they were planning on a trip to go back to mainland China, they might leave something there for the trip.
Q Is that information you got from a conversation with someone from this association or that's just stuff that you know generally?

Ni Ji Xiong
A Well, generally speaking, I already know this information about associations.
Q So did you ask this particular association what they were going to do with the space?
A Well, they were going to put it to the uses I just cited.
Q Is that something they told you or you just assumed that because they were an association?
A They told me.
Q At the time of the 2011 search, do you recall that the renter of Suite 605 was Fuzhou Ting Jiang United Association?
A Yes, I know that. Alumni association.
Q Alumni of what?
A Well, they were former classmates from the same year from that region of mainland China, and so that's -- and that is why they organized this association.
Q They were classmates at what school?

Ni Ji Xiong
A It's just -- there is only one high school in Ting Jiang. T-I-N-G J-I-A-N-G.
Q So it is high school?
A Yes.
Q Did you meet any members of the association?
A Yes, and most of them female.
Q What names of these people do you remember?
A I don't know their names.
Q How many times did you meet them?
A How many times we met?
Q Yes.
A Just downstairs when I encountered them and they were looking for the Ting Jiang Association.
Q At the time of the 2011 search, do you recall that Suite 606 was being rented by the USA Fujian Chang Xian Associates?
A Yes.
Q Who was that association for?
MR. HAYES: Objection to form. It is okay, you can answer.

Ni Ji Xiong
It is okay to answer that question. It is only an objection to the form.
A Well, it was established for people from that rural area.
Q Which area is that?
A What is the name of that association again?
Q Well, do you remember the association that was in Room 606?
A No, I don't.
Q Then we don't need to worry about it. Do you remember renting Suite 301 to the Mai Yang Association of America, Inc.?
A Mai Yang?
Q Yes, Mai Yang?
A Yes, I do.
Q Do you remember meeting with anyone who was affiliated with Mai Yang?
A Yes.
Q Who was that?
A I'm trying to remember the name of that woman.
Q Veng Wai Jiao?

Ni Ji Xiong
A Can you please repeat the name?
Q I will just -- all right, let's see. V-E-N-G W-A-I J-I-A-O?
A Right, that's the woman. I remember. Yes, something Jiao, I remember, J-I-A-O.
Q And you met with this woman?
A Yes.
Q How many times?
A Well, I remember her working at the front counter of this restaurant Yia Ban Qiu called Duck Egg Qiu, the restaurant was called, Q-I-U Restaurant.
So she worked there and so I know her and I have seen her there.
Q Did you meet her there before or after you rented the space to the Mai Yang Association?
A Before. I think that she still worked there when the place was rented to her, so I knew her before I rented the place to her.
Q Did you ever discuss anything related to the building with her?
A No.

Ni Ji Xiong
Q Did you remember renting Suite 303 to the United American Women's Friendship Association?
A Well, 303 was the U.S. Fujian F-U-J-I-A-N Women's Allied Headquarters.
Q Okay; did you meet a representative -- withdrawn.
That's an association?
A Yes, and it was organized by all women.
Q Did you meet any representatives of that association?
A Yes.
Q Who did you meet?
A The name is R-E-N Q-I H-A-N-G.
Q And how many times did you meet her?
A Before, very frequently.
Q Before she moved into the building?
A Yes, before.
Q Where did you meet her?
A Well, she was in the beauty and cosmetics business, so sometimes it was in my

Ni Ji Xiong
office and sometimes it was at her beauty salon.
Q And how did you know her?
A Well, we knew each other from the time she organized this association.
Q And when was that?
A I think it was seven years ago.
Q And why did you know her because of the association?
A I don't remember.
Q And where is her cosmetics business?
A It's on the second floor of 29 East Broadway.
Q What's it called?
A I don't know.
Q Do you remember renting Suite 401 to the Lian Jiang Association?
A Is it Lian?
Q Yes.
A Yes. L-I-A-N J-I-A-N-G Association.
Q Did you ever meet with anyone from that association?
A Yes.

Ni Ji Xiong
Q And who did you meet from that association?
A Well, the chairman whose name is Zheng Bing. Z-H-E-N-G B-I-N-G.
Q And how did you know him?
A We are both members of the Fujian Benevolent Association.
Q How long have you known him?
A I think it has been seven to eight years.
Q And did you first meet him through the benevolent association?
A Yes.
Q Are you friends?
A We are fellow members.
Q And what's the Lian Jiang Association that he is chairman of?
A Well, it's also a nonprofit association.
Q Who is the association for?
A People from Lian Jiang in mainland China. As long as they are from that area, they can join.
Q And is that area part of the

Ni Ji Xiong
Fujian area that --
A Yes.
Q -- the southern part?
A Yes, it's a big swatch of Fujian.
Q Do you remember renting Suite 402 to a Chau Chit Hing, spelled C-H-A-U, C-H-I-T, H-I-N-G?
A Yes, someone with a surname of Chau.
Q And who is that?
A Well, Chau Chit is a place name, so that is an association.
Q Okay; did you ever meet with anyone from the association?
A Yes.
Q Who did you meet with?
A It was when they were thinking about renting also.
Q And who did you meet?
A Well, it was the association head whose name is -- the last name is Chao. It was only when he came to look at the space did I realize that he is the association head of Chao Zhu. C-H-A-O Z-H-U.

Ni Ji Xiong
Q Did you know him before he came to look at the space?
A No.
Q Did you ever talk to him at any time other than this meeting when he was looking at the space?
A No.
Q What did you talk about at that meeting?
A We talked about rent.
Q What did you say about the rent?
A Well, we talked about the rent for the space that he was interested in renting. We talked about how long the association has been established and where it was located previously. Just that.
Q Where was it located previously?
A I don't remember because this conversation was so long ago.
Q You testified earlier that TYT had an office that was at 508 at the time of the 2011 search, is that right?

Ni Ji Xiong
A 507.
Q 507; did TYT ever maintain an office anywhere else in the building?
A At the beginning, I think it was on the third floor. Then we moved to the fourth floor, then we moved to the fifth floor.
Q Did you ever move from the fifth floor?
A Well, from the fifth floor, we moved to the sixth floor, because from the first search, they all left, and so we moved to the sixth floor.
Q And is the office still on the sixth floor now?
A It's not on the sixth floor now.
Q Where is it now?
A We are now on the first floor because the upper floor space was rented out.
Q What suite on the first floor?
A It's the left side and the rear of the first floor, number 37.
Q And when did you move to the first floor?
A It's been a few months.

Ni Ji Xiong

Q I'm just going to make sure I have it right.

You were on the sixth floor and then you moved to the first floor?

A From the sixth floor, we moved to the fifth, 505; then from 505, we moved to the first floor.

Q Okay; is that where you worked since 2008, in whatever TYT office was in the building?

A Yes.

Q What hours did you work?

A It's not a set schedule.

Q Are you usually there at night?

A No, I'm not there at night.

Q When do you usually leave for the day?

A Usually at 8 o'clock, between 7 and 8.

Q And when do you normally come in?

A Around 10 in the morning. Sometimes when there is renovation going on, and when there was renovation going on and I was

Ni Ji Xiong

supervising it, I would get there at 8 a.m.

Q When was renovation going on?

A Well, beginning in 2008, there were renovations going on on and off, especially when there is a turnover of renters and they wanted a bigger space we need to do demolition.

And then the year before that, the whole year was spent on renovation, including the installation of an elevator, and at that time, I showed up at work at 8 a.m.

Q Were renovations happening in 2010?

A 2010, yes.

Q How about 2011?

A Same.

Q 2012 were there renovations?

A It was ongoing, and sometimes there were small-scale renovations.

Q Do you remember which floors the renovations were on in 2010?

A I don't remember. I have to consult my records.

Q How about for 2011; do you remember what was being renovated, what

Ni Ji Xiong

floors had renovations done?

A I don't really remember.

Q 2012; do you remember that any better?

A Last year, the first floor underwent renovations --

Q Do you remember when that was?

A -- and the sixth floor; last year was the end of the year, and the first floor, the renovations took place in September.

The first floor was also September.

MR. WILSON: This is going to be Government Exhibit 4.

(Whereupon, a sublease agreement dated December 8, 2011 was marked Government Exhibit 4 for identification.)

Q Do you recognize this document?

A Yes, I do.

Q What is it?

A It was the -- this is the lease for the half of the rear of number 37 and it was rented out to an Internet bar.

Q And that was Number Two Gaming

Ni Ji Xiong

Corp.?

MR. HAYES: Objection on the basis of the Fifth Amendment, and I'm instructing the witness not to answer. I'm instructing the witness not to answer, please.

MR. WILSON: Hold on. Translate the instruction from counsel before translating anything he said.

MR. HAYES: I am invoking the Fifth Amendment for my client and instructing him not to answer the question.

MR. WILSON: Can we make a representation that you are not going to let him answer any questions about the rest of this document, Number 2 Gaming Corp. or Lin Xiu Qiong, L-I-N X-I-U Q-I-O-N-G, who signed for them?

MR. HAYES: It is a civil case, so question-by-question is the way it is done. You are

Ni Ji Xiong

entitled to ask on a question-to-question basis.

MR. WILSON: That's fair enough.

MR. BERKOWITZ: Can I ask who signed on behalf of --

Q Look at Page 4 of this document. Do you see where there is a signature under tenant and above Hong Xing Management for TYT East Corp.?

A Yes.

Q Do you recognize that signature?

MR. HAYES: I object on the basis of the Fifth Amendment and instruct the witness not to answer.

MR. WILSON: What's the basis for the assertion if he is asked if he recognizes the signature?

MR. HAYES: Because it is whether the question has a potential to be incriminating, not

Ni Ji Xiong

whether the answer itself is or is not incriminating. It could be a completely innocuous answer, but basically the question is --

MR. WILSON: Why? What is the incriminating answer as to whether he recognizes the signature?

MR. HAYES: For example, it might be him, I don't know.

MR. WILSON: That's the next question, but that is not this question. You are entitled to assert what you assert, but I don't think it is well-founded.

Q Sir, do you know who Lin Ziu Qiong, L-I-N Z-I-U Q-I-O-N-G is?

MR. HAYES: Could you repeat the question?

Q Do you know who Lin Ziu Qiong is?

A Yes, I do.

Q Who is she?

A She's the one who rented the rear

Ni Ji Xiong

of 37 in order to operate an Internet bar.

Q And she signed this document on behalf of Chinatown Number Two Gaming Corp.?

MR. HAYES: And again, I object on the basis of the Fifth Amendment and instruct the witness not to answer.

Q Will you turn to the next page, sir. Do you know what these documents are, these photocopies?

MR. HAYES: Objection to form.

Q You can answer that one, sir. Do you know what those are?

A This is this person's ID.

Q Did you ever meet her?

A Yes.

Q How many times did you meet her?

A Quite a few times.

Q When was the first?

A I don't remember.

Q Give us your best guess -- well, withdrawn.

Ni Ji Xiong

Give us as close an approximation as you can to when you first met this woman?

A It's been two or three years ago.

Q And where did you first meet her?

MR. HAYES: I object on the basis of the Fifth Amendment and instruct him not to answer.

Q How did you come to first meet her?

MR. HAYES: And again, I object on the basis of the Fifth Amendment.

Q What did you discuss the first time you met her?

MR. HAYES: Again, I object on the basis of the Fifth Amendment.

Q Can you describe all the conversations you have ever had with Lin Ziu Qiong?

MR. HAYES: I object on the basis of the Fifth Amendment.

Ni Ji Xiong

Q You testified that the first time you met her was about two to three years ago, is that right?
A Yes.
Q When was the last time you met her?
A A few days ago.
Q Where was that?
A At number 35 East Broadway on the first floor.
Q And what was the purpose of that meeting?
MR. HAYES: Objection on the basis of the Fifth Amendment.
Q When is the last time you spoke to her?
MR. HAYES: Again, I object on the basis of the Fifth Amendment.
MR. WILSON: For when?
MR. HAYES: For when, yeah.
MR. WILSON: That was my question, when was the last time.

Ni Ji Xiong

Yes, you are objecting?
MR. HAYES: Yes, on the basis of a conclusion you might draw.
Q What's her current address?
A I don't know.
Q What's her phone number?
A I don't know.
Q Have you ever spoken to her on the phone?
A Yeah, we talked on the phone when she was renting the space at this phone number.
Q Whose handwriting is this on -- I believe it is the fifth page of Exhibit 4?
MR. HAYES: Objection on the basis of the Fifth Amendment I'm instructing you not to answer. You don't have to worry about the question.
Q Would you turn to the last page of the document, sir.
Do you know whose handwriting this is?
MR. HAYES: Again, I

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object on the basis of the Fifth Amendment.
Q Could you read to us the portion of the document at the top that's written in Chinese?
A Yes, I can.
Q If you could do that, please?
A The first line, receipt.
This is for the rental of the rear of 35 East Broadway, the 500 square feet. And the monthly rent is $5,000, with three months' deposit. And the electrical charges would be split with the front half of 37 which is a mall with six shops, and the intended use is as an Internet bar and she will handle her own licenses for operating an Internet bar.
Right now, a $1,000 -- U.S. $1,000 deposit will be paid first, and she gets free rent of one month for renovations. And the rental period begins January 1, 2012.
Q What was your understanding of the purpose for which Chinatown Number 2 Gaming Corp was renting this space?
MR. HAYES: Objection on

Ni Ji Xiong

the basis of the Fifth Amendment.
Q How many times did you speak to Lin Ziu Qiong since you first met her, in total?
A I don't remember.
Q Approximately how many times have you spoken to her since you first met her?
A I don't remember.
Q Is it more than a hundred?
A I don't know.
Q Less than ten?
A It's more than ten.
Q Is it more than 20?
A Yes.
Q Is it more than 50?
A I don't believe so.
(Whereupon, a photo was marked as Government Exhibit 5 for identification.)
MR. BERKOWITZ: You gave me one extra.
Q Sir, this is a picture of the front of 37 East Broadway at a point in the

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Ni Ji Xiong
past; is that correct?
A Yes.
Q And you see the Lucky U 777 sign?
A Yes.
Q Who caused that to be put up in front of the building?
A It was this company.
Q When you say this company, you mean Chinatown Number 2 Gaming Corp.?
A Yes.
Q And how did -- well, withdrawn.
What did a tenant do if they wanted to put a sign up on the front of the building?
A I don't know.
Q Well, withdrawn.
You had control as the master tenant of what was put on the front of the building, right?
A Yes.
Q Okay.
A It is not that I control it, but I need to agree to it. Because of the space that

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Ni Ji Xiong
she rented on the first floor, so she has the right to put that sign up in the portion of the first floor that she rented, and we have no say as to what she puts up there.
Q Did you see this sign before it was put up?
A No.
Q Did you see the sign after it was put up?
A Yes.
Q What was your understanding of what it meant?
A My understanding was this was games that you play when you go on the Internet.
Q And you play them for money, right?
MR. HAYES: Objection on the basis of the Fifth Amendment and I instruct him not to answer.
Q See above the Lucky U 777 sign there is a Mohegan Sun, A World At Play sign?
A Yes.
Q Who caused that sign to be put up?

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Ni Ji Xiong
A There is a -- we rented a place to the ticket sales office for bus tickets to the Mohegan Sun.
Q What bus company was that?
A The one from Mohegan Sun.
Q Okay; Mohegan Sun Casino ran the bus company that advertised with him?
MR. HAYES: Objection to form.
A I believe so.
Q Who did you deal with in renting this space for the sign to the company?
MR. HAYES: Objection to form.
A Someone called Andy.
Q And how did you communicate with him?
A Well, he came and wanted to see us because he wanted to sell a -- wanted to rent a ticket sales office.
Q And that didn't happen, I take it?
A It did happen.

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Ni Ji Xiong
Q So there was a ticket sales office in the building?
A Yes.
Q What suite?
A It's number 105 at number 37.
Q Is it still there?
A It's no longer there.
Q How long was it there for?
A A little over a year, I think.
Q And what was Andy's last name?
A I don't know.
Q I assume there would be a lease agreement for this ticket sales company?
A Yes.
MR. BERKOWITZ: Are you going to mark it 5?
MR. WILSON: Yes.
This is government Exhibit 6.
(Whereupon a photograph was marked as Government Exhibit 6 for identification.)
Q So you will see it is a slightly different Mohegan Sun advertisement?

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Ni Ji Xiong
A Yes.
Q Is that for the same company?
A Yes, it is.
Q And you dealt with the same people in putting up that sign?
MR. HAYES: Objection to form.
A Yes.
MR. WILSON: Mark as Government Exhibit 7, a copy of a flier.
(Whereupon, a copy of a flier was marked as Government Exhibit 7 for identification.)
Q Have you ever seen that flier before, Mr. Ni?
A No.
Q You are not aware that that flier was sitting out on the ground floor of your building in May of 2012?
MR. HAYES: Objection on the basis of the Fifth Amendment and instruct the witness not to answer.

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Ni Ji Xiong
MR. WILSON: Government Exhibit 8, a copy of another flier.
(Whereupon, a copy of a flier was marked as Government Exhibit 8 for identification.)
Q Did you ever see that flier, Mr. Ni?
MR. HAYES: I object on the basis of the Fifth Amendment and instruct the witness not to answer.
MR. WILSON: Government Exhibit 9, we are marking. It is a Lucky U 777 coupon.
(Whereupon, a Lucky U 777 coupon was marked as Government Exhibit 9 for identification.)
Q I ask the witness, have you ever seen that coupon before?
MR. HAYES: I object on the basis of the Fifth Amendment and instruct the witness not to answer.

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Ni Ji Xiong
MR. WILSON: Mark as Government Exhibit 10, a photograph.
(Whereupon, a photograph was marked as Government Exhibit 10 for identification.)
MR. HAYES: Before you ask a question, can I have him read this to me or have the translator read it out loud so I know what it says?
MR. WILSON: That's fine.
Q Mr. Ni, if you could read to us what the sign in the photograph says?
A Moved to 93 Henry Street next to the back door of the former Hong Kong Supermarket. Telephone number 917-535-9292. September 1, 2011.
Q Mr. Ni, that was posted on the door to the sixth floor in the stairwell of 35-37 East Broadway, correct?
A I don't know.
Q Were you ever in the stairwell of 35-37 East Broadway around September 1,

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2011?
A I don't remember.
Q Do you remember if Connie Chan was ever in the stairwell of 35-37 East Broadway around September 1, 2011?
A I remember that the entire sixth floor was closed down after the customers all moved out.
Q And you are aware that the customers moved to 93 Henry Street, right?
A I did not know that.
Q Even though there was a sign saying that in your building, you didn't know?
A No, I did not know.
Q There was a second police search in the building in May, 2012, correct?
A Yes.
Q And at the time of that search, you were in the management office, the TYT office?
A Yes.
Q Why was there a gaming table in the TYT office at that time?

Ni Ji Xiong

MR. HAYES: Objection on the basis of the Fifth Amendment and instruct the witness not to answer.

Q In the TYT office, there were various TV screens at this time -- withdrawn.

At the time of the May, 2012 raid, there were various TV screens in the TYT office, correct?

A Yes.

MR. HAYES: All right, go ahead.

Q And those screens received surveillance camera feeds, correct?

A Feeds?

Q Video from the surveillance cameras could be seen on the screens in the TYT office, correct?

A Yes.

Q And you had DVRs or recorders that could record what was being seen on the screens, right?

A Yes.

Q And some of those were

Ni Ji Xiong

password-protected, is that right?

A I don't know.

Q Who would know?

A You mean the videotapes -- the recording of the videotapes, you mean?

Q You are aware that you had recorders that were recording what the surveillance cameras were seeing in the building, right?

A The equipment itself automatically records that, and it's kept for half a month or for one month, and then it's automatically erased.

Q Who set up the system for you?

A Someone called Michael, and he specializes in installing this for some company.

Q Where did you find Michael?

A I don't understand.

Q Someone named Michael set up the system for you, correct?

A Yes.

Q How did you find out about Michael and get him to do your system?

A I called the company.

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Q What's the company?

A I'm trying to think of the name of the company. I don't remember it.

Q Do you remember where the company was?

A I don't know.

MR. WILSON: We are going to request that that information be provided and we can talk at the end about whether you prefer a formal interrogatory or we can do it on the record here.

MR. HAYES: Probably whatever you have of that nature I would like in a letter, keep it nice and neat.

MR. WILSON: Okay.

MR. HAYES: Send a letter to me. I prefer letters.

Q In order to play back some of these recordings, you needed a password, right?

A I have never done that.

Q Did you ever play back any of

Ni Ji Xiong

the recordings?

A I don't think so. I don't remember, because there had been thieves there before and so the police helped themselves to the equipment and turned it on to look at it.

Q You didn't ever look at it yourself?

A Well, I had opened it up in order to see past recordings. I had never used it to record anything because anything past half a month, you no longer have access to it.

Q So are you saying that you have never looked at anything that had been recorded in the past?

A I had never recorded anything is what I meant.

Q Mr. Ni, I think you told me the equipment automatically recorded things, right?

A Yes.

Q So when you say you never recorded anything, what do you mean?

A What I meant was I never made a copy of recordings that the machine

Ni Ji Xiong

automatically made. We left it to operate on its own and it only maintained records for half a month, so if there were five disks and it's filled, then it automatically records over.

Q Why was it set up that way?

A Well, that's an innate function. I have no idea.

Q Who would know -- withdrawn.

Who made the decisions about TYT about how to set up the surveillance system?

A I did.

Q Okay; why did you set it up so that it automatically erased everything after half a month without leaving any copies?

A No, you misunderstand. I did not decide that. I bought the equipment and that's how the equipment works.

Q Why did you buy that equipment?

A Well, it's not that I made any particular selection. I asked them to install this and I found out what the price was and then I had them install it and just paid.

Q Now, have you ever watched something from the system after it happened;

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have you ever played -- withdrawn.

Have you ever played back something that had been recorded in the past?

A If there is a necessity, I would then look at it.

Q Was there ever a necessity?

A I don't understand the question.

Q When was the surveillance system set up this way?

A I think it's been two or three years.

Q 2011?

A I have to look at a statement, but I believe that we started having the system in 2009 when we finished all the renovations.

Q Since 2009, when the system was set up, have you ever played back something that was recorded in the past?

A No.

Q Why was the system set up so that certain recorders required a password to play back past recordings?

A I don't know.

Q That wasn't something you asked

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for?

A It wasn't.

Q Do you think that the company did it on its own without telling you, the company that installed them?

A Correct.

Q Might Connie Chan have talked to them about that?

A I don't know.

Q How about your ex-wife?

A Not possible. She did not.

Q How about your daughter?

A Not possible. I want to add that when TYT was operating out of the basement at number 32, most of the money wiring was carried out by Andy Lau, who was my daughter's boyfriend, and it was only when he was not around that she took over doing that.

Q Where does Andy Lau live now?

A He is no longer here. He is in mainland China.

Q When did he go to mainland China?

A The end of last year, maybe.

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Q Have you spoken to him since he went to mainland China?

A No.

Q As far as you know, has your daughter spoken to him since he went to mainland China?

A I don't know.

Q Where were surveillance cameras installed in 35-37 East Broadway?

MR. HAYES: I object on the basis of the Fifth Amendment and instruct him not to answer.

Q Between 2010 and May, 2012, what areas of 35-37 East Broadway were you able to view from the video you could see in your office?

MR. HAYES: I object on the basis of the Fifth Amendment and instruct the witness not to answer.

MR. WILSON: I will show -- this is Exhibit 11.

(Whereupon, a two-page document was marked as Government

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Exhibit 11 for identification.)
Q Do you recognize this document?
MR. HAYES: Objection on the basis of the Fifth Amendment and instruct the witness not to answer.
A I don't know this document.
MR. HAYES: The answer -- could you strike that. He just answered before I put on the objection.
MR. BERKOWITZ: What was the question?
MR. WILSON: The question was did you recognize the document and he was instructed not to answer.
MR. HAYES: But he did answer, so we can strike that.
MR. CHEH: This is Exhibit 11?
MR. WILSON: Yes. This is Exhibit 12.
(Whereupon a one-page

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document was marked as Government Exhibit 12 for identification.)
Q Whose handwriting is this, sir?
MR. HAYES: Objection on the basis of the Fifth Amendment and instruct the witness not to answer.
A I don't know.
MR. WILSON: If the interpreter, I think, could -- just before starting to interpret the question, give him a second, give Mr. Hayes a second, because obviously there are a number of these where he is going to be instructing the witness not to answer and we should make sure that comes out immediately before the witness starts to answer the question.
MR. HAYES: Because I want to hear the whole question before I do that.
Q Have you ever seen this

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document before?
MR. HAYES: Objection on the basis of the Fifth Amendment and instruct the witness not to answer.
MR. WILSON: Can we take a five-minute break?
MR. BERKOWITZ: Absolutely.
MR. WILSON: We have been going for a while.
(Recess.)
BY MR. WILSON:
Q Mr. Ni, turning back to the original agreement between TYT and Won & Har Realty Corporation, was there an initial payment made in connection with the signing of the lease?
A Yes.
Q What payment was made?
MR. HAYES: Objection to the form only. You can answer the question.
Q I think you said that there was

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a deposit paid, is that right?
A Yes.
Q And what was the amount of that deposit?
A I need to look at the contract.
Q This is Government Exhibit 1 that I'm handing you which is the lease.
MR. HAYES: Can you draw his attention to a particular provision?
MR. WILSON: I think it is a general question. He's the one that said he wanted to look at the contract.
A I have read it. I have looked at it.
Q Did that help you remember what deposit TYT East paid to Won & Har Realty Corporation in connection with the lease?
A Since we rented the entire building, when we rented it, there were still -- there were still tenants there, and so what they did was turn over to us their agreements as well as their deposits.

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Q Okay; so the question I'm asking is this; did TYT East Corporation pay any money to Won & Har in return for getting the lease?
A Yes.
Q What payment was made by TYT East?
A There were a few different deposits. There were the 20-year rental period, and one deposit was based on two months' rent for the twentieth year of the rental period.
Q Okay, that's one deposit.
A And then there was a deposit for water charges.
Q Any other deposits?
A Property taxes.
Q Anything else?
A I don't remember what other deposits there were.
Q Do you remember what the total amount for all the deposits was?
A As for the deposits, for the two months, it was 280,000, and for the second deposit, it was 80,000 plus.

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Q And for the property tax deposit?
A It's included in the 80,000 plus. So the three categories of deposits were water charges, insurance and property taxes.
Q And all those together were 80,000 -- yeah, 80,000?
A Yes.
Q Aside from those deposits, was there any other payment made to Won & Har in return for granting TYT East the lease?
A Are you talking about other deposits?
Q I'm talking -- well, are there other deposits that you just don't remember right now?
A There were no more deposits.
Q I'm talking about any other payment that was made to Won & Har by TYT in return for giving TYT the lease; were there any such payments?
A Yes, there were.
Q What was that or what were those?

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A Yes, at the time of the lease, because it was for a relatively low amount, we had to pay 500,000 -- 500,000 as a pre-purchase amount and another 500,000 to pay the landlord's attorney.
So our own attorney, Fang, told us that it would be another payment all together of $1 million, half -- 500,000 for the pre-purchase and 500,000 for the landlord's attorney.
Q Aside from the deposits that you described and the $1 million payment, were there any other payments made to Won & Har at the time the lease was granted?
A Well, there was also legal expenses for our attorney, Fang Li Min. F-A-N-G L-I M-I-N.
Q Okay; what is Hong Xing Management, H-O-N-G X-I-N-G?
A Well, I was the one who set up Hong Xing which took the place of TYT, and its main function was to collect rent and deal with rentals.
Q When you say, took the place of TYT, can you explain what you mean?

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A No, it did not take the place of TYT, it acted as an agent for TYT.
Q Who worked for Hong Xing?
A Used to be Connie. It used to be me and Connie.
Q And when did that change?
A Well, Hong Xing still exists as an agent for TYT. Before -- before the sublease of number 59 and number 32, before that mall ended, it was managing those as well.
Q Does anyone other than you and Ms. Chan work for Hong Xing now?
A No.
Q Hong Wei International Money Transfers Corp., do you know that company; and it's H-O-N-G W-E-I.
A Yes, I do.
Q What is that company?
A Well, it's an agent for the Western Union.
Q And who owns it?
A Annie Lau.
MR. GAO: Andy.
A Andy.

Ni Ji Xiong

Q Who besides Mr. Lau worked there?

A Nobody else.

Q Did you have any involvement in running that business?

A When he took a break or when he was busy with something else, once or twice, occasionally, I did.

Q What did you do on those occasions when he was taking a break?

A Well, sometimes when clients want to wire money, I would fill out the forms.

Q When you say, clients want to wire money, who are you referring to?

A By that I mean when they want to wire money back to mainland China.

Q These clients, are these the same clients that are renting space at 35-37 East Broadway?

A No.

Q Where did the clients come from for Hong Wei?

A Where did they come from?

Q Yeah, who were they?

Ni Ji Xiong

A Well, it includes all ethnic groups, the majority being Chinese.

Q You testified earlier about both a delivery company and a DVD rental company called Hong Wei; is it your testimony that you weren't the owner of Hong Wei International Money Transfers Corporation?

A Yes, Hong Wei Video. Well, I had this company registered.

Q You had Hong Wei International Money Transfers Corporation registered?

A Yes.

Q So when you said that Andy Lau owned it, what did you mean?

A He was in charge of the operations there because he understood English and I did not.

Q So he ran it for you?

A Yes.

Q Okay; now, what about New Money Link; do you know that company?

A Yes.

Q Is that another company that you own?

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A No, it's not.

Q Who owns New Money Link?

A It could be my daughter, it could be Zheng Fen, because they both applied to set up money-wiring operations; one was called New Money Link and the other one New East Ocean.

Q And where was New East Ocean, please?

A It's in the same place. It's one location, but acting as agents for three different companies.

Q Which company does New East Ocean act as an agent for?

A Well, the three companies there are agents for; one, Western Union; second one, Qiao Hui Tong, Q-I-A-O H-U-I T-O-N-G.

MR. CHEH: Could you repeat that, please.

THE INTERPRETER: Q-I-A-O H-U-I T-O-N-G.

MR. CHEH: Thank you.

A And the other one is called Yin Xing Suhui, Y-I-N X-I-N-G S-U-H-U-I, which means Silver Star Express Wire.

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Q These are money transfer businesses, is that correct?

A Yes.

Q And you are aware that there are various regulations that govern money transfer businesses?

A Yes.

Q And one of those is that money transfer businesses have to file suspicious activity reports if they see transactions that meet certain criteria, right?

A Yes.

Q Did Hong Wei International Money Transfers Corp. ever file any suspicious activity reports?

A According to Andy, that was -- that happened frequently, I mean, yes.

Q Do you have any personal knowledge of what documents Hong Wei International Money Transfers Corp. filed or are you relying just on Andy Lau?

A It's just according -- well, it's all according -- what I know is all according to Andy.

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I know that we filed frequent reports as soon as we have any suspicions that -- about something. We would not wire the money for the customers if the customers requested that the wire be sent in two batches, we don't even do one for them. And Andy was the one who was overseeing -- he was the one overseeing the operations.

(Whereupon, a 20-page document of records was marked as Government Exhibit 13 for identification.)

Q Showing the witness Government Exhibit 13.

Just let me know when you have had a chance to look at it, Mr. Ni?

(Witness examines.)

Q Do you know what these records are?

A I don't really know, but after I looked through this, they look like copies of passports, and there is also time data, and I believe there are money amounts on there.

Q Do you know why this type of

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record would have been kept at Hong Wei?

A Well, if it's one of our tenants, we will keep a record. If it concerns the wiring business, we are required by the authorities to keep records for five years on the customers because the regulatory authority would come and check that we have maintained these records.

Q So just so I understand it, your testimony is that these records were being kept this way because it's required by law?

A Yes.

MR. HAYES: Objection to form.

Q Do you recall a Mr. -- or excuse me, withdrawn.

Do you recall a Dr. Liu investing a substantial amount of money with TYT. Liu is L-I-U.

A Dr. Liu?

Q Yes.

A And what's the full name?

Q Do you remember any Dr. Liu who

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invested money in TYT?

A At the beginning, yes.

Q Is he a shareholder?

A We have one shareholder with last name of Liu. I don't know which Liu you are referring to.

Q Is there another Dr. Liu who invested money in TYT other than the shareholder?

A Well, we have two people by the last name of Liu, one of whom is a doctor, yes, one.

Q Are they both shareholders of TYT?

A Correct.

Q Okay; what about an Ai Yu Wang, A-I Y-U W-A-N-G; do you know somebody by that name?

MR. BERKOWITZ: Spell it again.

MR. WILSON: A-I Y-U W-A-N-G.

A I don't remember.

Q Do you remember someone named

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Sit Leung Yum, S-I-T L-E-U-N-G Y-U-M?

A Yeah, if you can --

Q It could be Leung Yum Sit?

MR. BERKOWITZ: Could you spell that, please?

MR. WILSON: Yes. S-I-T L-E-U-N-G Y-U-M.

A I don't remember this.

Q A person by that name invested $100,000 or sent $100,000 to TYT, correct?

A When?

Q In April, 2009; do you remember someone -- well, let's mark it.

MR. WILSON: We are going to mark Government Exhibit 14.

(Whereupon, a two-page document showing copies of checks was marked as Government Exhibit 14 for identification.)

Q The first page of this is a payment to the order of TYT East Company from Ai Yu Wang in the amount of $50,000, right, on April 25th, 2009?

A Yeah, now I see the name on here.

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Well, he is a friend of a shareholder.
Q Let's start again; who is a friend of the shareholder?
A The name is Lin Yi Qiu, L-I-N Y-I Q-I-U.
Q And that is the shareholder, Mr. Lin, yes?
A Yes.
Q Who is the friend of the shareholder?
A It's written down here.
Q You are referring to Sit Leung Yum?
A This is the amount of money paid by the shareholder to own shares. As to who or if they're making that payment on behalf of -- whom they are making that payment on behalf of, we have no idea.
Q Okay; let me make sure I understand.
What you are saying is that this $50,000 check is a payment on behalf of Mr. Lin, who is a shareholder of the company, is that right?

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A Yes.
Q And on the next page, the Wachovia check to TYT East Corp.?
A This is the same.
Q This remitter of Leong Yum Sit, this is also for Mr. Lin?
A Yes.
Q And why were the investments for Mr. Lin coming from two other people?
A Well, that you have to ask the investor. Maybe the investor did not have enough money and borrowed from those people.
I have no idea.
Q How did you know that these were for Mr. Lin?
A Because the shareholder Lin has written his name down on here, so later on, I found out that the person with the last name of Xue, X-U-E, is together -- and besides our company has kept a record of this and it was Mr. Xue who referred Lin and introduced Lin to our company.
Q Mr. Ni, have you ever gambled?
A Very, very seldom.

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Q What type of gambling do you do on those rare occasions?
A I play Mahjong.
Q And where do you play Mahjong?
A In the recent ten years, I don't think that -- I think I have only played a handful of times.
Q When were those times?
A A long time ago. A couple of times I played at home. At home.
Q Where else?
A I did not play elsewhere and I have never been to any of the gambling places in Chinatown.
Q Where are the gambling places in Chinatown, that you are aware of?
A I don't know.
Q So when you said that you rarely played Mahjong, a couple of times at home in the last ten years are the only times you played, is that right?
A Something like that.
Q Have you ever gambled in Las Vegas?

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A Well, yes, I have been there when I was in the video business. I went to a convention on electronics.
Q When was that?
A In 1990, around that time.
Q How about Atlantic City; have you ever gambled there?
A I went once in 1992 to Atlantic City.
Q That's the only time?
A Yes. I never went again.
MR. WILSON: Let's take five minutes. I think I'm done, but let me make sure, and maybe you guys can figure out how you want to divvy up the time.
(Recess.)
BY MR. WILSON:
Q Okay; how was rent paid by the subtenants to TYT?
A Usually it's before the fifth of every month.
Q And did they generally pay by cash or check?

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A Usually it's half and half.
Q Half -- withdrawn.
When you say usually it's half and half, do you mean that half the subtenants paid in cash and half the subtenants paid by check?
A Yes, I do.
Q And who collected the rent money?
A Usually Connie.
Q And did she go room to room collecting the rent?
A No.
Q How or where would she collect it?
A In the office.
Q Subtenants would come to your office and drop off the rent?
A Yes.
Q Was anyone ever late paying their rent?
A Yes.
Q If they were late, would anyone ever go to their suite to ask for the rent?

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A When it's late, usually she would issue a notice.
Q And what would she do with that notice?
A She would hand it to them.
Q And she would go to their suite to hand it to them?
A That I don't know.
Q Did you ever give anyone one of these notices?
A No.
Q Did you ever go to anyone's suite to collect rent?
A No.
Q How did you pay Won & Har their rent?
A Usually Connie would call the landlord, and then when they come -- when they arrive at our office, then the rent would be paid.
Q So someone from Won & Har would come and collect the money at your office?
A Yes.
Q Were you ever there when that

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happened?
A Very often, I ran into the person.
Q And who was that person?
A The landlord's son. I'm trying to think of the name.
Q Is it Damon Wong?
A I just know -- I just know this person's last name is Hang, H-A-N-G, and Connie was the one who dealt with him.
Q Did you ever speak to him when you ran into him?
A Sometimes. Sometimes. And we would speak -- I would speak in Cantonese with him, but his Cantonese is not that strong either, but usually Connie Chan was the one who interacted with him.
Q Did you ever discuss anything going on in the building with him?
A No.
Q Did he ever ask you any questions about what was happening in the building?
A No.
Q Did he ever ask you any

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questions about gambling in the building?
A No.
MR. WILSON: No further questions from me.
MR. BERKOWITZ: May I sit there?
MR. WILSON: You can and should.
EXAMINATION BY
MR. BERKOWITZ:
Q Good afternoon, Mr. Ni. If you recall, my name is Morrell Berkowitz. I'm with the firm of Gallet, Dreyer & Berkey and we represent David Gao, the claimant in this proceeding.
THE INTERPRETER: Counselor, would you repeat that again, please?
Q Yes; my name is Morrell Berkowitz. I'm a member of Gallet, Dreyer & Berkey. We represent David Gao, who is a claimant in this proceeding.
A Prior to this, my attorney only mentioned that I will be answering questions

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from the landlord's attorney and as well as the prosecutor, and I was not told of anyone else.

MR. BERKOWITZ: Well, I can't speak to what advice you received, nor can I ask him what advice he received from anybody.

MR. HAYES: You are going to keep it with respect to the forfeiture?

MR. BERKOWITZ: Yes, of course.

Q Now, the same rules apply. Please just listen --

THE WITNESS: And so then do I have the right to refuse to answer?

MR. BERKOWITZ: We will take it question by question. I don't know that -- I'm not here to advise you on what your rights are.

MR. HAYES: If it is about the forfeiture, you have to answer the question. They are a claimant

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in the forfeiture procedure.

If it has to do with the forfeiture, you would have to answer questions.

MR. BERKOWITZ: Why don't we start asking questions so that we save the time so that we don't have to bring him back.

I mean, I will be here if he wants to take longer time and he wants to come back another time, we can do that.

I'm trying to get this done so it can be done today but it is up to him.

THE WITNESS: Whatever I do, I would need to have my lawyer discuss it with me.

Q Okay. Well, let's do question by question and see where we are. You are here by counsel and it is on this case.

The last series of questions Mr. Wilson asked you about was the collection of rents by TYT of the tenants. You

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mentioned that --

A Can you please address that to my attorney?

Q You are the one who has to answer the questions, sir.

A But my attorney has not agreed for me to answer the questions.

MR. HAYES: It is okay if the questions have to do only with respect to the forfeiture and not anything with respect to the shareholders.

MR. BERKOWITZ: Right.

MR. HAYES: If he starts asking you questions about the shareholder dispute, that's not okay. He can ask about things having to do with the forfeiture.

MR. CHEH: I think we can also ask him about things that he testified to at his deposition.

MR. BERKOWITZ: Right.

THE WITNESS: I need to know if my attorney approves of my

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answering the questions.

MR. HAYES: It is okay, but if he asks you questions about things that are not proper, then I will tell you at that time. It is on a question-by-question basis.

THE WITNESS: So you agree that --

MR. HAYES: If he keeps it to the proper topics. If he tells you the wrong topic, I will tell you that.

Q Now, Mr. Ni, you testified about ten minutes ago that Connie Chan collected the rent; did anyone else collect the rent on behalf of TYT from the subtenants in the building?

A No.

Q Did your ex-wife, Fen Zheng, ever collect rent?

A The only -- the only exception is when Connie was not around and the tenant showed up to pay rent, then she would accept it on Connie's behalf and then turn it over to Connie.

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Q And did your daughter, Lilly Ni, ever collect rent on occasion from the tenants in the building?

A I don't know if she did or not.

Q Do you recall -- did you examine what records were kept of how much the tenants were paying in rent?

A Yes.

Q And what form did these records take; in other words, what kind of records were kept when a tenant came in and either gave a check or cash, what kind of document or record was kept by TYT to show how much was collected and from whom?

A Well, TYT got the information and the accounting information from Hong Xing Management Company. H-O-N-G X-I-N-G.

Q And Connie Chan also worked for Hong Xing as well, correct?

A Yes.

Q So my question was, you have answered that you have seen the records that were kept to show how much rent the tenants were paying, correct; that was shown to you

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and you have seen that?

A Yes.

Q And who usually -- so what did -- what was the form of those records; was it a ledger sheet, did they write out the names; do you recall what it looked like, this information?

A Well, Hong Xing maintains a rental chart and can print it from -- and print it from the computer.

Q In addition to that, was there any handwritten documents that were kept when rent was collected from the tenants?

A I haven't seen that.

Q Who was in charge of keeping a record of how much was received from the tenants; was that Connie Chan's job?

A Yes.

Q I'd like to show you a group of documents that's dated from 3-19-09 through 5-6-11.

MR. BERKOWITZ: And if we can just have it marked as Claimant's A.

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(Whereupon, a group of documents dated from 3-19-09 to 5-6-11 was marked as Claimant Gao's Exhibit A for identification.)

MR. BERKOWITZ: And another series as Claimant's B, a series of documents dated from 1-30-12, and the last page apparently is 3-26-12. That will be Claimant's B.

MR. CHEH: Claimant Gao's B.

(Whereupon, a group of documents dated from 1-30-12 to 3-26-12 was marked as Claimant Gao's Exhibit B for identification.)

Q I'd like to show you what's been marked as Claimant Gao's A, and you will see it lists a bunch of dates, numbers and notations in Chinese; the question is if you have ever seen that before or you can tell us what those documents are?

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(Witness examines.)

Q The first question is, Mr. Ni, have you ever seen that before?

A Yes.

Q And can you tell us whose handwriting it is?

A I believe this to be Andy Lau's. You see in the money-wiring place, we had two safes.

MR. BERKOWITZ: Can you repeat that? Oh, is he continuing his answer. I don't want to interrupt him.

A Well, this was a type of ledger, recording the monies going in and out in the family business ledger.

Q And what business is that a ledger for?

THE INTERPRETER: The interpreter is having the witness repeat his answer.

A Well, you see, in the money-wiring business, we have -- we had two safes. Well, the cash -- we collected cash from the

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money-wiring business as well as Hong Xing collected cash, and also my former wife's activities. There is a record of that.

And on this, there are records of cash flow in and out of the Yummy Yummy bakery.

Q And does it show cash flow from any other businesses that you had an interest in?

A Other companies, I don't know if it's on there.

Q Does it reflect -- does any of the entries reflect the receipt of rents from tenants of TYT?

A I haven't seen if this has that or not.

MR. BERKOWITZ: Tell him he can take his time to look at them. I'm not trying to trick him. Let me ask him a general question.

Q Is this -- what is this a ledger for; is it a ledger for a particular company or a group of companies?

A I think several companies.

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Q Including TYT?

A Yes; for instance, this includes what -- the withdrawals and the deposits Zheng Fen made in connection with TYT repairs and management, so there is money going in and coming out.

Q So now, you said you -- when I said whose handwriting is it, do you think one person did all of those sheets or are there entries in different handwritings and that perhaps different people made entries?

A I can't tell if they are different people writing it. You see, the TYT cash was kept -- was kept by Zheng Fen.

Q Was that his ex-wife or is that somebody different?

A Yes, she is.

Q So when you said it was kept by her, where?

A Well, anywhere she chose. It could be in her purse, it could be in the safe, it could be at home. I have no idea.

Q Can you recognize your ex-wife's handwriting on any of those sheets?

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A I cannot tell.

MR. BERKOWITZ: If I could have it back for a moment I just want to look at something. Thank you.

(Handing.)

Q I'd like to show you, Mr. Ni, the entry on the seventh page; there is an entry by the date 5-29-09 for the amount of $1100 and there is an entry in Chinese characters and can you tell us what that says. It's right next to the entry for $1100.

(Handing.)

A I can't make it out.

Q Does it concern Room 107 at 35 East Broadway, the collection of rent from that tenant?

A I cannot make it out. If he can make it out, then you don't need to ask me.

Q Now, why would Mr. Lau -- I thought you had testified earlier that Mr. Lau worked for Hong Wei Money Transfer Company; did he have any responsibility for

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doing work for TYT?

A No.

Q So Mr. Lau had no responsibility for collecting rent?

A No.

Q He had no responsibility for preparing leases or subleases for tenants in the building?

A Correct.

Q And he was not an employee of TYT?

A Correct.

Q Let me just show you again -- not again -- for the first time, this has been marked as Claimant Gao's Exhibit B, and it is a series of documents dated from January 30, 2012, and the next to the last page has an entry 3-26-12.

So my first question is can you tell us who, if it is the same person that you think may have made those entries on that exhibit, and if your answers would be the same as your answers with respect to this as to what that is a ledger of?

Ni Ji Xiong
MR. HAYES: Objection to form.
Q Can you tell us what Document B is?
A I don't know.
Q Do you recognize the handwriting?
A I don't know.
Q Who were the owners of TYT in 2007 and in 2008 before the lease was signed?
A Zheng Fen.
Q So your wife was the only owner of TYT in 2007 and 2008?
A Yes.
Q How many employees did TYT have in 2011?
A In 2011?
Q Yes.
A In 2011, I think 15.
Q And in 2012?
A Same.
MR. BERKOWITZ: I'd like to have marked as Claimant Gao's Exhibit C a document entitled

Ni Ji Xiong
Payroll Summary, February 29, 2012, TYT East Broadway Inc.
(Whereupon, a payroll summary dated February 29, 2012, TYT East Broadway Inc. was marked as Claimant Gao's Exhibit E for identification.)
Q Mr. Ni, I'd like to show you this document and ask you if you have ever seen that before?
A I don't know what this is. This is not -- this is TYT East, Inc., it is not TYT Corp..
Q Well, I didn't prepare the document; my only question, sir, is whether you have ever seen it, and it appears to list the names of one, two, three, four, five, six, seven, eight, nine, ten employees as of February 29, 2012.
Let me read the names that are on this list which appears to be a summary of the TYT East employees, and they seem to be abbreviated, so I will read to you what it says and ask you if there is any employee in

Ni Ji Xiong
2012 of TYT East that had that name.
The first name is Dan and the first two letters of his last name is H-O; is there anybody that was employed at --
A Can you show it to him and ask him what kind of company this concerns? Is it TYT?
Q Yes; I mean, someone could have made a mistake. We have seen a lot of spelling errors in thousands of documents, so it is certainly not beyond the realm of possibility that someone typed the wrong name.
Please, sir, we will go a lot quicker if you just try your best to answer my question unless there is an objection; then you are asking me questions.
MR. BERKOWITZ: Show him that. I'm --
A But you showed it to me. This is not my company TYT, and I think maybe you got the wrong document.
Q Well, maybe. So let me ask my question, and if it's wrong, then it is wrong, and if it doesn't exist and you don't

Ni Ji Xiong
know, you will say that, or unless you want to spend 20 minutes arguing about it. I'm available for either.
The first name on the list says D-A-N H-O. Is there anybody employed by your company, TYT, that has that name?
A No.
Q Is there anyone -- well obviously the second column is F-E-N Z-H, so I assume that's your ex-wife, Fen Zheng, as an employee.
Was she an employee of TYT in 2012; that's a yes or no?
A No, she wasn't.
Q She was not; was there anyone whose first name or last name was Hao, H-A-O?
A No.
Q Was there anyone employed by the name of J-I-N-H-U-A?
A An employee of which company?
Q TYT, your company?
A The whole name --
Q Let me ask you another question. Forget this.

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Ni Ji Xiong
You had testified earlier when Mr. Wilson asked you as to the name of TYT; is there a different company than TYT East Corporation, that you are aware of?
THE INTERPRETER: Can I hear the question again?
Q Is there a TYT East Company or Corporation, and a different company or a separate company called TYT East Broadway, Inc.?
A Yes.
Q Do you own TYT East Broadway, Inc.?
A Can you say that again?
Q Do you own TYT East Broadway Inc., I-N-C?
A Yes.
Q And what business is that in?
A It's a bakery.
Q And does that own the bakery also known as Yummy Yummy?
A Yes.
Q So TYT East Broadway, Inc. owns the bakery store called Yummy Yummy?

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Ni Ji Xiong
A Yes.
Q And does TYT East Corp., the lessee of this building that's the subject of this forfeiture proceeding, have an ownership interest in TYT East Broadway, Inc.?
A No.
Q Are employees of TYT East Broadway, Inc. only employed by that company or are some of them also employed by TYT East?
A They just work for TYT East Broadway.
Q And when was TYT East Broadway, Inc. incorporated?
A In 2008.
Q And just going back a little bit in time; in 2007 and 2008, before the lease was signed, what business was TYT East in?
A Money wiring.
Q And did it continue in that business after the lease was signed in October, 2008, on or about October, 2008?
A Yes, including the collection of

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rentals from 32.
Q Yes; and how is it -- is TYT still in the money transfer business as of 2013?
A Not anymore.
Q When did it stop being in that business?
A I think it was in mid-2009, June or July.
Q And as of mid-July, 2009, what was the business that TYT East was in?
A Well, TYT rented 35-37.
Q Right; and was it in any other businesses besides the operation of the building?
A Well, it was also operating the bakery at TYT East Broadway, as well as the Jin Hua Restaurant, and it was the same shareholders who set up these two other companies.
Q When you say these two other businesses, in other words the shareholders in TYT also had ownership interest in the restaurant and the bakery, correct?
A Yes.

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Ni Ji Xiong
MR. BERKOWITZ: I'd like to have these two letters marked; the first one, Gao Exhibit D, it is a letter dated 11-18-2010, and Exhibit E, a letter dated January 21, 2011.
(Whereupon, a letter dated 11-18-2010 was marked as Claimant Gao's Exhibit D for identification.)
(Whereupon, a letter dated January 21, 2011 was marked as Claimant Gao's Exhibit E for identification.)
Q Mr. Ni, I'd like to first show you a letter dated November 18, 2010 on Hong Xing Management letterhead; it is addressed to a tenant at the building, and ask you if you have ever seen that letter?
A I can't make it out.
Q This letter seems to indicate that Ms. Chan on behalf of Hong Xing Management, was advising tenants that as of November, 2010, all rents should be made --

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MR. CHEH: Can I make a suggestion; can she translate it straight from the letter?
MR. BERKOWITZ: Yeah, sure.
(Interpreter translating.)
THE INTERPRETER: The witness is pointing to Health First Management Services and asking, what is that?
Q So my question, Mr. Ni, is having been read this letter, does that refresh your recollection that in November --
MR. CHEH: She is still reading.
Q -- 2010, the tenants were advised to pay rent directly to TYT East; do you recall that that happened?
A I don't remember.
MR. BERKOWITZ: I'd ask the interpreter to read this letter, it has been marked as E, which is a letter on TYT East Corp. letterhead dated January 21,

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2011, and signed by Fen Zheng on behalf of TYT East.
(Interpreter translating.)
Q First question is do you recognize your ex-wife's signature on that letter?
A Yes.
Q And do you recall whether, in fact, in January of 2011 the tenants were advised to now pay the rent to the management company?
A I do.
Q And what was the reason?
A Well, we had a shareholders meeting. Hong Xing was only working for TYT Corp., and the original plan was to merge Hong Xing with TYT.
So that's why the tenants were notified that the checks can be made out to TYT.
Q No, but that letter says they should be made out to Hong Xing two months after Connie Chan sent the letter saying, make it payable to TYT East Corp., so my question is, first of all, which I forgot to

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Ni Ji Xiong
ask, and I apologize --
A Oh, I'm wondering if this was first.
MR. BERKOWITZ: Ask him if on D if he recognizes Connie Chan's signature.
A I don't know. That's right, the shareholders had a meeting in November, 2010. Now Hong Xing then withdrew and so the building was directly managed by TYT. And so the resources of or assets of Hong Xing was then transferred to TYT.
At the time, the employees, including Connie, took the initiative that they did not want to be involved in the conflict that was going on in TYT and, therefore, that things should be transferred back to Hong Xing Management Company.
Q So at some point then Hong Xing became wholly-owned by TYT?
A Not later on.
Q Well, no, not later on; as of January 21, 2011, when the letter went out saying pay the rent to Hong Xing, did TYT

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then own Hong Xing?
A No.
Q Well, you said that it took it over.
MR. BERKOWITZ: What did he mean by that? I mean, I'm taking it from what he said, I'm not putting words in his mouth.
A It's not a company owned by TYT, it's just an agent acting on behalf of TYT in regard to the collection of rents for numbers 35 and 37.
Q But explain why in November the letter said, pay the rent to TYT, and just a couple of months later, the tenants were told to pay it to Hong Xing, and the question is why; why was there a change?
A Well, before November, Hong Xing was the agent for that building, and after a shareholders meeting, it was decided that Hong Xing would no longer play that role and that the building would be directly managed by TYT.
Then after two or three months, then TYT then made a change and Hong Xing was

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again the agent for the building and that's why the tenants were told to pay rent again to Hong Xing.

Q And my question is what changed from, don't pay it, pay it to us directly, to, pay it to Hong Xing; what were the circumstances that led to the change to pay the agent?

A Well, when Hong Xing withdrew from playing that role, then TYT had to take over doing that.

Q And?

A Then two or three months later, then Connie wanted to just work for Hong Xing but did not want to work for TYT anymore.

Q But Hong Xing worked physically in the same office as TYT, didn't it?

A They were together.

Q And it was the same people, so there was really no difference?

A It's not the same.

Q And Hong Xing received a fee every month from TYT to Hong Xing to perform management responsibilities, correct?

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A That's right.

Q And who owned Hong Xing?

MR. HAYES: Now I think you are getting beyond the forfeiture action. If you want to depose him --

MR. BERKOWITZ: No, because it directly related to our defense that the owners of TYT did nothing wrong and that they shouldn't lose their only asset, which is the investment in this lease, so it is directly relevant to the issues in this case.

MR. HAYES: Go ahead.

MS. LUTTATI: It is a little past 6:15.

MR. BERKOWITZ: I have a little more and we will end. I'm not going for a marathon.

MR. CHEH: I'm going to need him back tomorrow for 15 minutes.

MR. BERKOWITZ: Let him

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answer the question.

MR. HAYES: Let him answer the question.

MR. BERKOWITZ: And we agreed to end at 6:15 -- it's past 6:15 already -- and we will discuss it. We don't have to do it on the record. Let's have him answer the question.

Do you need to hear the question again?

THE INTERPRETER: Yes, please.

Q Who owned Hong Xing Management?

A I am owner.

MR. BERKOWITZ: We will conclude today. I'm not done with my examination. I certainly can't speak for the other attorneys here.

MS. LUTTATI: And we haven't even started.

MR. BERKOWITZ: But I'm concluding as of today, but I have

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continued questions that I would like to pursue.

Off the record.

(Whereupon, at 6:20 p.m., the deposition was concluded for the day.)

I N D E X

Witness: NI JI XIONG

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C E R T I F I C A T E

STATE OF NEW YORK )
) ss.
COUNTY OF NEW YORK )

I, Ellen Gianoulakos Cruz, a Shorthand (Stenotype) Reporter and Notary Public for the State of New York, do hereby certify that the foregoing Deposition, of the witness, NI JI XIONG, taken at the time and place aforesaid, is a true and correct transcription of said Deposition.

I further certify that I am neither counsel for nor related to any party to said action, nor in any way interested in the result or outcome thereof.

IN WITNESS WHEREOF, I have hereunto set my hand this 8th day of March, 2013.

____________________________

ELLEN GIANOULAKOS CRUZ, CSR, RMR

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK
------------------------------------------X
UNITED STATES OF AMERICA, :

PLAINTIFF, :

vs. : CASE NO.
12 CIV 4034
ALL RIGHT, TITLE AND INTEREST IN :
THE REAL PROPERTY AND APPURTENANCES
THERETO KNOWN AS 35-37 EAST BROADWAY, :
NEW YORK, NEW YORK 10002 LISTED AS
BLOCK 280, LOT 42 IN THE OFFICE OF :
THE COUNTY CLERK AND REGISTER OF
NEW YORK COUNTY, NEW YORK, :

DEFENDANT-IN-REM. :
--------------------------------------------X

CONTINUED DEPOSITION OF NI JI XIONG, taken by Plaintiff at the offices of the United States Attorney, One St. Andrew's Plaza, Room 333, New York, New York, on March 13, 2013, commencing at 1:45 p.m., before Mary Ellen Raftery, CSR, a Notary Public within and for the State of New York.

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ALSO PRESENT:

DAVID GAO

PATSY ONG
Mandarin Interpreter

IT IS HEREBY STIPULATED AND AGREED by and between the respective parties herein that the filing and sealing of the within deposition be, and the same are hereby waived.

IT IS FURTHER STIPULATED AND AGREED that all objections, except as to the form of the question, shall be reserved to the time of trial.

IT IS FURTHER STIPULATED AND AGREED that the within deposition may be signed and sworn to before any officer authorized to administer the oath with the same force and effect as if sworn to before the Court.

IT IS FURTHER STIPULATED that the transcript is to be certified by the reporter.

Ni Ji Xiong

N I J I X I O N G, called as a witness, having been first duly sworn through a Mandarin interpreter by a Notary Public of the State of New York, was examined and continued to testify as follows:

MR. WILSON: I think when we ended Mr. Berkowitz was questioning.

MS. GALLAGHER: You can go ahead.

MR. WILSON: Do you want to defer?

MS. GALLAGHER: That's fine.

EXAMINATION
BY MS. LUTTATI:

Q Mr. Ni, my name is Carol Luttati. I'm here representing Won & Har Realty Corporation, landlord and owner of 35-37 East Broadway.
Mr. Ni, your full name is Ji Xiong Ni?
A Yes.
Q And whether I say Ji Xiong Ni or Ni Ji Xiong, both of those refer to you?
A Yes.
Q Mr. Ni, what's your date of birth?
A November 21, 1959.
Q Mr. Ni, what languages do you speak?

Ni Ji Xiong
A Mandarin, Cantonese and Foochow, F-O-O-C-H-O-W.
Q And what languages do you read?
A What languages?
Q Yes.
A I can't read any languages.
Q Today are you speaking with the interpreter in Mandarin?
A Yes.
Q You cannot read Mandarin, the language you are speaking in?
A Are you saying that what you speak, can I read what you speak?
Q What foreign languages do you read?
A I don't read any.
MR. WANG: I guess the question is what is the foreign language to him.
Q Let me show you this document which is from his deposition, Exhibit No. 10.
Can you read that document?
A Yes.
Q What language is that written in?
A Chinese.

Ni Ji Xiong
Q So you read Chinese, Mr. Ni?
A Yes.
Q Do you write Chinese?
A Yes.
Q Do you write in any other language?
A No.
Q And do you read any other language besides Chinese?
A I cannot.
Q Do you recognize the handwriting on that document?
A I don't.
Q Is that your handwriting?
A No, it's not.
Q Is that Zheng Fen's handwriting?
A I don't think so.
Q Is that Connie Chan's handwriting?
A Also not her.
Q Is it Li Li Ni's handwriting?
A That's even more impossible.
Q Why?
A Well, because her Chinese is not that great and also she would not know to write this type of handwriting.

Ni Ji Xiong
Q Can I have that back, please.
Mr. Ni, have you ever been known by any other names other than Ni Ji Xiong or Ji Xiong Ni?
A No.
Q Mr. Ni, are you a U.S. citizen?
A I'm not.
Q Do you have a Green Card, Mr. Ni?
A Yes, I do.
Q How long have you had a Green Card?
A Ten to 20 years.
Q Do you have a passport, Mr. Ni?
A Yes.
Q What kind of a passport, issued by what government?
A It's a Chinese passport.
Q When you were here last week, you gave testimony that you dealt with a man by the name of Hang, the landlord's son, who came to the building to collect the rent from TYT. Do you remember that testimony?
A Yes.
Q How old a person is Hang?
A I think he's about 40 years old.
Q How tall is Hang?
A He's on the tall side. I think that he

Ni Ji Xiong
is almost six foot tall.
Q How much does Hang weigh, approximately?
MR. WANG: If you know.
A I don't know.
Q What is Hang's first name?
A I don't know.
Q How often did you see Hang?
A Usually once a month. Sometimes once every two to three months.
Q What race was Hang?
A I believe he belongs to the Han race, H-A-N.
Q What is the Han race?
A It means to be a Chinese.
Q What color hair did Hang have?
A Black, I think.
Q Long or short?
A Short.
Q Any facial fair?
MR. WANG: At what time?
A I don't think so.
Q Does Hang wear glasses or no glasses?
A I don't think so.
Q When was the first time that you met

Ni Ji Xiong
Hang?
A I don't remember.
Q When was the last time you saw Hang?
A It's been over a year.
Q So the last time that you saw Hang was before March of 2012?
A Yes.
Q Did you meet Hang before signing the lease with Won & Har?
A I did not know him before.
Q How long after signing the lease with Won & Har did you first meet Hang?
A I think three or four months later. It was when I was paying the rent. When he showed up to collect the rent.
Q And where was it that Hang went to collect the rent?
A To our office at 35 to 37.
Q TYT's office in that building?
A Yes.
Q How many times did you see Hang go to TYT's office to pick up the rent from the first time which was three or four months after the lease was signed until before March of 2012?

Ni Ji Xiong
A I don't remember.
Q You said that he, Hang, picked up the rent from you at TYT's office?
A No.
Q Were you present when Hang went to TYT's office to pick up the rent?
A Sometimes I was there, sometimes not.
Q When you were there, who was it who gave the rent to Hang?
A Connie Chan.
Q You testified last time that there was a sign on the building Lucky U 777 that was signage put up in connection with a sublease with Chinatown No. 2 Gaming Corp. Do you recall that testimony?
A Yes, I remember.
Q When did you sign -- when did TYT sign the lease with Chinatown No. 2 Gaming Corp.?
A It was either around the time of November 2011 or January 2012. And I would need to look at the contract to know for sure.
Q Mr. Ni, do you know when the lease began with Chinatown No. 2 Gaming Corp.?
A The lease began when it was signed.
Q Do you know when Chinatown No. 2 Gaming

Ni Ji Xiong
Corp. began operating in that space?
A I don't remember.
Q Was any build-out work done in that space before Chinatown No. 2 Gaming Corp. opened?
A Yes.
Q How long did the work take to complete in the space that was then occupied by Chinatown No. 2 Gaming Corp.?
A I don't remember.
Q When was the sign Lucky U 777 put on the building, 35-37 East Broadway?
A I don't remember.
Q Was the sign put up on the building Lucky U 777 before the lease was signed with Chinatown No. 2 Gaming Corp.?
A It wasn't.
Q Was the sign put up after January 2012 when the lease started with Chinatown No. 2 Gaming Corp.?
MR. WILSON: Object to the form.
A Yes.
Q Was the sign Lucky U 777 put up after the space had been renovated for Chinatown No. 2 Gaming Corp.?

Ni Ji Xiong
A I don't know.
Q Was the sign Lucky U 777 put up after Chinatown No. 2 Gaming Corp. began operating?
A Well, it didn't even start operation before it was closed down.
Q When did Chinatown No. 2 Gaming Corp. Start operation?
A I don't remember.
Q When was Chinatown No. 2 Gaming Corp. closed down?
A I think it was closed about one month before the federal law enforcement conducted their raid.
Q So is it your testimony that Chinatown No. 2 Gaming Corp. was closed in April of 2012 if the government raid was May 21st, 2012?
MR. WANG: If you know.
A Yes.
MR. LUTTATI: Can you read back the last question?
A Well, it was not in continuous operation beforehand anyway. It was open and closed on and off. It was never actually in operation and we don't know the reason for that.
Q Is it your testimony that Chinatown No. 2

Ni Ji Xiong

Gaming Corp. opened after January 2012 and closed April 2012?

A I don't remember.

Q How long was Chinatown No. 2 Gaming Corp. operating?

A I don't remember exactly for how long. It was never really in operation after the renovation.

Q When did the renovation on that premises begin?

A The renovation only began after the lease was signed. I don't remember which exact date.

Q When did the renovation end?

A I don't remember.

Q Was Chinatown No. 2 Gaming Corp. opened for business for a month?

MR. WANG: If you know.

A I don't know.

Q Mr. Ni, when was the lease signed between TYT and Won & Har?

A October of 2008.

Q Who were the shareholders of TYT as of the signing of the lease?

A Well, the shareholders at the time included Zheng Fen, Z-H-E-N-G F-E-N, David Gao, G-A-O,

Ni Ji Xiong

and also Lin Qiu, L-I-N Q-I-U. And also Qiu Jia Xi, Q-I-U J-I-A X-I. And also Liu Xing Hui, L-I-U, X-I-N-G, H-U-I. And also Zhuang Yan, Z-H-U-A-N-G Y-A-N.

I think these were the ones.

Q You've identified six people who were shareholders of TYT as of October 2008, correct?

A Yes.

Q Were there any other shareholders of TYT as of October 2008 besides the ones you named?

A From what I can remember, I don't believe so.

Q Mr. Ni, were you a shareholder of TYT in October of 2008?

A I wasn't. However, Liu Xing Hui, L-I-U X-I-N-G H-U-I, did not join at that time. He joined in April or May of 2009.

Q Mr. Ni, was Zheng Fen a shareholder in October of 2008 of TYT?

A Yes.

Q So when you said before that there were just six, you omitted your wife, your ex-wife, didn't you?

A My ex-wife is Zheng Fen, Z-H-E-N-G F-E-N.

Ni Ji Xiong

Oh. There's another one. Chen Hua, C-H-E-N H-U-A.

Q Mr. Ni, have you now identified everyone who was a shareholder as of October 2008 of TYT?

A No. Later on two others joined. No. Actually, two withdrew and four more people were added.

Q The timeframe I'm asking you for are shareholders of TYT as of October 2008 when the lease was signed.

A Yes. Those were the people.

Q Where did the signing of the lease between TYT and Won & Har take place?

A At the time it was at the law office of Fang Lee Ming, F-A-N-G L-I M-I-N-G, who was TYT's attorney at the time.

Q So the signing of the lease between Won & Har and TYT took place at TYT's attorney's office?

A At the time the TYT attorney brought the lease for Chen Hua to sign, C-H-E-N H-U-A, and as I remember I was not present. And at that time a deposit was paid. I don't remember the date. And then subsequently we went to the landlord's law firm, attorney's law firm on October 14th. That was when -- that was the closing and that was when the lease was

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signed.

Q What's the address for the law offices of Fang Li -- was it Wing that he said? Ming.

A It was at No. 11 East Broadway.

There was another shareholder Liu Yan Yu, L-I-U Y-A-N Y-U.

Q What's the surname of TVT's attorney? I want to be clear.

A Fang is the surname.

Q Fang.

When was it that Chen Hua signed the lease at Fang's office?

A I don't remember exactly when it was. At that time Chen Hua had to go back to Mainland China and so he went ahead and signed the lease first. And I don't know afterwards whether the lease was just left at the attorney's office or what. And it was -- it was signed after we had already finished, when we had finished negotiating the lease.

Q Did Chen Hua sign the lease for TYT?

A Yes.

Q Did Chen Hua sign the guarantee for the lease for TYT?

A He was representing TYT when he signed

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the lease. He was not signing on its behalf.
Q Do you know if there was a guarantee on the lease?
A Yes.
Q And who was the individual who guaranteed the lease for TYT?
A Chen Hua, C-H-E-N H-U-A.
Q Is it your testimony that Chen Hua signed both the lease for TYT and the guarantee before October 14th, 2008?
A Yes.
Q Mr. Ni, did you sign any part of the lease document between TYT and Won & Har?
A No.
Q You said a little while ago that at the time when Chen Hua signed the documents at Fang's office a deposit was paid. How much of a deposit?
A I don't remember how much it was. I would need to look at the books.
Q What was the deposit for?
A It was in advance on leasing the 35-37 building.
Q Was the deposit in the form of a check?
A Yes.

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Q One check or more than one?
A I don't remember.
Q Do you remember the account that the check was drawn on?
A I don't remember.
Q Was it a TYT bank account?
A Yes.
Q Did you sign the check?
A I don't remember.
Q Do you know who wrote out the check?
A I also don't remember that.
Q What was done with the check once Chen Hua had signed the lease documents? What happened physically with the check?
A I believe the check was handed to the attorney Wang, W-A-N-G.
Q Who was attorney Wang?
THE INTERPRETER: Correction. Not Wang. It's Fang, F-A-N-G.
Q So the papers that Hua Chen had signed as well as the deposit check or checks were given to attorney Fang, TYT's attorney?
A Fang, Yes.
Q And you don't remember the amount of the

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check or checks?
A I can't remember.
Q Do you know what attorney Fang did with the paperwork that Chen Hua had signed and with the check or checks?
A I don't know.
Q You said earlier then on October 14th, 2008 you went to the landlord's law firm for the closing; is that correct?
A Yes.
Q And you also said that you went there for the lease signing; is that correct?
A Yes.
Q From TYT's part, the lease had already been signed prior to October 14th, 2008, correct?
A Yes.
Q Who went to Won & Har's law firm's office on October 14th, 2008 for this lease signing closing?
A Me, David Gao also, Michael Lin, L-I-N, Michael Lin's wife, and Lin Qiu, L-I-N Q-I-U. Zhuang Yan, Z-H-U-A-N-G Y-A-N, and Zheng Sen, Z-H-E-N-G S-E-N. Just these people.
Q So you identified seven people that were at the closing, correct?

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A I think those were the people.
Q Who is Michael Lin?
A Michael Lin is a partner who together with me planned to lease 35-37. It was after we negotiated the terms of the lease and when the partners were about to sign the lease that he proposed that David Gao would also buy shares. And he is also the father-in-law of David Gao, the shareholder.
Q You are saying that Michael Lin is David Gao's father-in-law?
A Yes.
Q So at the time of the signing of the lease was David Gao a shareholder or not?
A I would say he was. He had already joined the group.
Q What partnership did you have with Michael Lin?
A Well, he was a main partner when we were planning to lease 35 to 37. He was the one in charge.
Q Does Mr. Lin have anything to do with TYT East Corporation?
A No, he doesn't.
Q What was the name of the partnership you had with Michael Lin?

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A It was TYT.
Q You just said that Mr. Lin had nothing to do with TYT.
A TYT East Broadway is different from TYT East Corp. They are separate companies.
Q So Mr. Lin and you were partners in TYT East Broadway Corp.?
A No.
Q Tell me what your partnership with Mr. Lin was? Was it in TYT East Corporation?
A Yes.
Q But Mr. Lin was not a shareholder of TYT East Corp.?
A Correct.
Q Was he an investor in TYT East Corp.?
A At the planning stage he said he would invest in it. At the time of the signing that was when he proposed David Gao as a shareholder.
Q Mr. Ni, do you remember if the lease signing, TYT lease with Won & Har, took place in the morning or in the afternoon?
A I don't remember.
Q Was TYT's attorney Fang present at the lease signing?

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A He was.
Q Physically, do you have an address of where the lease signing on October 14, 2008 occurred?
A I don't remember. I think it was somewhere on Canal Street.
Q Before you got to somewhere on Canal Street, where were you coming from that day?
A 32 East Broadway basement.
Q And how did you get from 32 East Broadway basement to Canal Street?
A I road in a car there. Well, I drove in -- I road in Lin Qiu's car, work car with tools. It was a minivan. L-I-N Q-I-U.
Q Who else was in the minivan beside you an Lin Qiu?
A My wife also, Zheng Fen, Z-H-E-N-G F-E-N. I don't remember who else.
Q Were there other people beside the three of you in the minivan?
A I think so. But I don't remember who it was.
Q Do you remember how many people were in the minivan?
A I don't remember.

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Q Can you describe where you went to on Canal Street? Where is the somewhere you went to?
A I don't remember.
Q When you got out of the minivan, do you remember what location you were at?
MR. WANG: If you remember.
A I don't remember.
Q When you got out of the minivan, what did you next do?
A Next we went together to the landlord's attorney's office.
Q And how did you get to the office?
A I don't remember.
Q What was the name of the landlord's attorney?
A His name was also Fang, F-A-N-G.
Q What floor of the building did you go to when you were on Canal Street?
A I don't remember.
Q What was the office number of the landlord's attorney's office?
A I don't remember.
Q How many stairs did you walk up to get to the attorney's office?

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A I think we went up by elevator.
Q Describe the lobby of the building that contained the elevator that you used?
A I have completely forgot. It's been so long. I did not pay attention to these things.
Q When you got out of the elevator which way did you walk in order to go to the landlord's attorney's office?
A I don't remember.
Q Please describe the landlord attorney's office.
A Well, when you enter there's an office to both the left and the right. And as you continue to walk in in the larger space it's a long table. And it was at this long table that we signed the lease.
Q Other than the long table, describe everything that you saw in the room where you signed the lease.
A I don't remember.
Q In the room with the long table where the lease was signed, tell me everybody who was physically present in that room.
A The shareholders whom I just mentioned who went together, the shareholders, our attorney Fang Li

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Ming, F-A-N-G L-I M-I-N-G, and also the landlord's attorney also with the last name Fang, F-A-N-G. And then also there is the main landlord.
I think those were all the people.
Q What's the name of the main landlord?
A I just know his last name to be Hang.
This was the first time that we met him. We never met him before.
Q How old a man was Mr. Hang?
A I think he's around 70 or over 70.
Q What happened in the room when -- were you in the room?
A I wasn't.
Q You were not in the room.
A Right. Because when we got there all we did was sit around a long table.
Q You were sitting around the long table, Mr. Ni?
A Yes.
Q Mr. Ni, you were not in the office where the lease was actually being signed?
A No. The lease was signed in the open area of the law office where there was a long table.
Q When you say the lease was signed, who

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signed the lease?
A At the time our attorney Fang -- according to our attorney Fang, it was a hand-over of 35 to 37 building. Zheng Fen was the one who signed the lease, Z-H-E-N-G F-E-N.
Q Did Zheng Fen sign the lease in your presence?
A Yes.
Q After the lease was signed, what happened next?
A After the lease was signed then I went home.
Q Other than -- did TYT ever receive a report of the lease closing from TYT's attorney?
A What kind of report are you referring to?
Q Did TYT's attorney ever give you any paperwork concerning the lease closing on October 14th, 2008?
A Yes.
Q What paperwork were you given by TYT's attorney?
MR. WANG: I have an objection. I'm now going to instruct my client not to answer this question. I think

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it's protected by attorney/client privilege.
MR. LUTTATI: A closing document from a lease? I'm not talking about a conversation.
MR. WANG: So make it clear what your question is. If you are just asking about closing document then ask about closing document.
Q Did TYT's attorney give you any documents concerning the closing that had occurred on October 14th, 2008 between TYT and Won & Har?
A Yes.
Q I'm asking the same question again.
What documents were provided by TYT's attorney?
MR. WANG: That's all right.
Closing documents.
A Well, they were documents that concerned the rent paid by Chen Hua previously, C-H-E-N H-U-A, and the 20 years that was signed with a yearly rent amount, two months of a deposit, as well as a prepayment of a million dollars of rent since the rent charge was deemed low.

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Q The first thing that you mentioned was rent paid by Chen Hua. Are you referring to the check that you described that was the deposit paid before October 14th, 2008 lease signing when Chen Hua signed the lease and the guarantee?
A What I seem to remember is what he was paid was a deposit which was a good faith payment to show the serious intent to rent; that's different from the deposit that was later paid.
It was after Chen Hua had signed that our attorney notified us that on the day of the hand-over on October 14th the deposits that we needed to pay.
Q Was Chen Hua's good faith deposit payment tendered to the landlord?
A It was handed to TYT's attorney Fang, F-A-N-G. I don't know if he then handed it to the landlord's attorney.
Then on the 14th when we were paying a deposit I remember that the advanced deposit was deducted from what we paid, what we had to pay.
Q You said that you were notified prior to the hand-over of the deposits that would be needed. Who notified TYT of the deposits that were needed?
A Our attorney Fang Li Ming, F-A-N-G L-I

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M-I-N-G.

Q What deposits do you understand were required at the hand-over?

A It would be the -- the first amount was two months deposit based on the rent, based on the rent after 20 years. At that time the monthly rent would be 140,000. So two months of deposit would be 280,000 plus.

The second deposit that we had to pay were comprised of amounts which include the property taxes, the insurance and water charges. The water charges, the deposits on that, was to reimburse the landlord who first pays it, who fronts the money to the Water Department.

Q Are those the only two deposits that were required, the 280,000 plus property taxes, insurance and water charges?

A And also there's a prepayment for rent of one million.

Q How much were the property taxes, insurance and water charges?

A I think it was -- it was over 80,000. I don't remember the exact amount.

Q How was the two months of deposits paid?

A At the time a check was made out.

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Q One check for 280,000?

A I don't remember.

Q How were the property taxes, insurance and water charges paid?

A It was also paid in check. We had figured out the amounts. At the time 35 and 37 had original tenants living there who had paid deposits to the landlord and those were transferred to us and I don't know whether an equivalent deduction was made from the payments that we had to make or what.

Q My question is the more than $80,000 which you had said was made up of property tax insurance and water charges, was that paid by check?

A It was.

Q One check or more than one check?

A I don't remember.

Q Were the checks for the 280,000 and the more than 80,000 checks written on TYT's bank account?

A I believe so.

Q Now, you also spoke of a prepayment for rents of $1 million. How was that money paid?

A That was paid in cash.

Q A million dollars paid in cash?

MR. WILSON: Asked and

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answered.

A Yes.

Q Where did you get the million dollars in cash from? What's the source of that million dollars in cash?

A The shareholders came up with that as an investment.

Q Who was carrying the million dollars in cash at the closing?

A At that time the person in charge of accounts was David Gao, G-A-O. And the one who collected them was Zheng Fen, Z-H-E-N-G F-E-N.

Q Again, on October 14th, 2008, is it your testimony that David Gao at the closing had million dollars in cash on his person?

MS. GALLAGHER: Objection.

A He and Zheng Fen, Z-H-E-N-G F-E-N.

Q Both of them together were carrying this cash?

A Yes.

Q And I think you said earlier that Zheng Fen was the person who had collected the cash from the shareholders; is that correct?

A Part of the cash she collected.

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Q Who collected the other part of the cash?

A Well, also the shareholders came up with that money.

Q When you walked into the landlord's attorney's office, had Zheng Fen already collected the money from the shareholders that she had?

MR. WILSON: Object to the form.

A Just partially.

Q The part that Zheng Fen did not collect, how was that collected at the closing?

A At the closing, shareholders like David Gao and Zhuang Yan, Z-H-U-A-N-G Y-A-N, they personally took their cash directly to the attorney's office.

Q Mr. Ni, did you see the cash that Zheng Fen was carrying?

A Yes.

Q And did you see the cash of David Gao and of Zhuang Yan?

A I don't remember about Zhuang Yan, Z-H-U-A-N-G Y-A-N. I remember seeing the cash that David Gao brought.

Q How much cash did David Gao bring?

A I remember Zheng Fen saying at the time

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that he brought over 300,000. Z-H-E-N-G F-E-N.

Q Mr. Ni, you were present when all of this cash was tendered from TYT?

A Yes.

Q Who was this cash given to?

A It was given to the landlord.

Q It was given to a Mr. Hang?

A Yes.

Q You described Mr. Hang as a man over 70 years old. How tall a man is he?

A He was not tall.

Q Last week you had testified that if a million dollars was paid, 500 was as a prepurchase amount and 500,000 was to pay the landlord's attorney. Are you now changing that testimony?

MR. WANG: Give the interpreter a break. Use short sentences to answer. Can you translate.

A I did not change my testimony. At the time attorney Fang of TYT said that there had to be a payment of $1 million. Then on the 14th for the hand-over, Zheng Fen was counting the money in the right-hand room and then it was Gao and Zheng Fen who handed the money to the landlord. Z-H-E-N-G F-E-N.

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Then after the hand-over, Zheng Fen told me that of the $1 million, 500,000 was counted and taken away by the landlord's attorney and 500,000 was counted and then taken by the landlord.

Q In your answer you described that Zheng Fen was doing all the counting in a right-hand room. Were you in that room?

A I was not in the room. I was by the door. She was inside counting. When they went inside they went inside with the landlord and I was sitting at the closing table. I did not see the attorney taking the money. It was Zheng Fen who told me about it afterwards.

Q Did you see Zheng Fen counting the money?

A I saw at the beginning because the door was opened.

Q Did you see Zheng Fen give the money to the landlord and/or the landlord's attorney?

A When she started to count, I was there. Then shortly after I walked away. So she was counting it and she was counting it together with the landlord.

Q Did you see Zheng Fen give the money to the landlord or the landlord's attorney?

A I saw her hand it to the landlord. Later, because I was sitting at the closing table, I did

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not see her handing it to the landlord's attorney.

Q Where were you sitting at the closing table in relation to where this right-hand room that Zheng Fen was in?

A I did not see her in the room when I sat down. When I saw her I was standing at the doorway of that room. After she first started to count the money, I walked away from the doorway and sat at the closing table.

Q The closing table was in another room?

A No.

Q Where was the closing table?

A It was in the big open area.

Q How long did the closing take, time-wise?

A I don't remember.

Q Mr. Ni, were you at the building 35-37 East Broadway when the police went there on May 21, 2012?

A I don't think I was there. I don't remember.

Q Earlier you had testified that you were in TYT's office. Are you changing that testimony now?

A That was the second time. Right, the first time I was there, I was at the TYT office. And at that time it was in 507, the fifth floor.

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Q Mr. Ni, I'm talking about May of 2012. Are you answering me from May of 2012?

A Just now I didn't hear what time you were referring to.

Q Mr. Ni, you testified you were in the building in May of 2012 when the police came. Are you changing that testimony now?

A Yes, I was in the sixth floor office.

Q You were in TYT's office on the sixth floor. What was the room number?

A 605.

Q Was any money confiscated from you by the police at that time?

A Yes.

Q How much?

A Over $900.

Q Were you arrested as a result of the police coming to the building in May of 2012?

A I wasn't.

Q After May of 2012, did you receive any kind of a letter from the government with respect to the money that had been taken from you in May of 2012?

A Yes.

Q When did you receive that notice?

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A I have to look at it. I don't remember because when we received it then we handed it to the attorney.
Q Did your attorney take any action on your behalf in response to getting that notice?
A Yes.
Q What did your attorney do?
A He said to write a letter -- letters.
Q What's your attorney's name who handled that?
A The English name is John.
Q Is John the first name or the last name?
A I don't know. Because he speaks English, it was Connie who stayed in touch with him.
Q Mr. Ni, have you ever been convicted of a crime?
A No.
Q Mr. Ni, are you aware of the fact that there is a cross-claim from Won & Har against TYT in this action for the value of the building?
A I do.
Q Mr. Ni, are you aware of the fact that Won & Har is in the process of evicting TYT from the building?

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A I am aware of it.
Q Mr. Ni, are you at all cooperating with the government in this action, this forfeiture action?
A No.
MR. WANG: What is cooperating? What does that mean?
MR. LUTTATI: Has he been given immunity from prosecution? Is he cooperating in exchange for leniency for the fact that he hasn't been arrested?
MR. WANG: Can you translate the question as well?
THE INTERPRETER: What are you referring to?
(The record was read.)
THE WITNESS: No.
MS. LUTTATI: Can we take just a five minute break?
(Whereupon, at 3:35 p.m. a recess was taken until 3:44 p.m.)
EXAMINATION (CONT'D.)
BY MS. LUTTATI:
Q Mr. Ni, TYT East Corporation is a

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New York corporation?
A Yes.
Q Is it a C corporation or an S corporation?
A I don't know.
Q In 2008 did TYT file corporate income tax returns?
A 2008? I don't remember.
Q Who was TYT's accountant in 2008?
A I don't know for 2008.
Q Do you know of any tax filing that TYT Corporation did, whether to IRS or to New York State, where it reported the receipt from shareholders of a million dollars on a tax return?
A I don't know because I was not in charge of the accounting.
Q And do you know if on any TYT tax return TYT claimed a deduction for a million dollars for prepaid rent?
A I don't know.
MR. LUTTATI: No further questions.
EXAMINATION
BY MS. GALLAGHER:

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Q Hello, Mr. Ni. My name is Pamela Gallagher. I represent David Gao. I believe we've met before at another deposition. I just have a few questions. I'll try to be quick.
A few days ago Connie Chan testified that the general records for TYT East Corp. were kept on a computer ledger. Are there any other records for TYT other than that computer ledger?
A I don't know.
Q Do you personally maintain any TYT East Corp. records?
A No.
Q You don't maintain any handwritten records or receipts that involve you personally with respect to TYT East Corp.?
A Besides the accounts or the accounting that Constance showed to me, I don't have any other accounts or TYT records.
Q Can you tell me the names of the owners of TYT East Corp.?
A Are you referring to shareholders?
Q Sorry. Let me rephrase that.
Why don't we start with: Who are the officers of TYT East Corp. today?

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A It's still me.
Q What office do you hold?
A Well, they address me as the chairman of the board -- no. Director.
Q Who is the president of TYT East Corp.?
A Zheng Fen is, Z-H-E-N-G F-E-N.
Q Does she get paid a salary for being president of TYT East Corp.?
A No.
Q Has she ever received a salary from TYT East Corp. for any reason?
A Yes.
Q Can you tell me what years she received a salary from TYT East Corp.?
A Well, whatever she did at any time was what she got paid for.
Q So did she receive a salary from TYT East Corp. in 2008?
A I don't believe in 2008.
Q What about in 2009?
A In 2008, when TYT was engaged in money wiring, I don't know if it paid her.
Q I'm not talking about the money -- the TYT East prior business of the money transfer that has

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come up previously. I'm focusing just on TYT East Corp. as it exists from the time the lease was signed in October of 2008 with Won & Har.
So let's start in 2009. Did Zheng Fen receive a salary in 2009 from TYT East Corp.?
A Well, TYT was conducting other businesses before TYT East Corp. signed a lease for the 35-37 East Broadway building. At the time with the shareholder business Zheng Fen was not paid a salary. Then it was in 2009 of June that the money wiring business officially separated into a separate company all together. So it was in June that the shareholders then separately owned 35 to 37 East Broadway and invested in that. At that time Zheng Fen did not receive a salary, Z-H-E-N-G F-E-N.
Q Mr. Ni, I hand you a document that was previously marked Government's Exhibit 2, one page document. Take a look at it and tell me if you recognize it.
A I don't recognize it.
Q Well, do you recognize the name in the box labelled C?
A Yes.
Q What name is in that box?

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A Zheng Fen, Z-H-E-N-G F-E-N.
Q And do you recognize that to be the W-2 for Zheng Fen for 2011 from TYT East Corp.?
A Well, on here it's her name. I don't know if it were issued to her.
Q Does this refresh your recollection whether Zheng Fen received a salary from TYT East Corp. ever?
A Previously she did not. If you are referring to 2008, 2009, at that time she did not receive a salary.
Q In 2010 was Zheng Fen paid any money by TYT?
A I don't remember. Whether she was paid or not depended on whether she worked for TYT.
Q Zheng Fen was president of TYT East Corp. in 2010, correct?
A Yes.
Q Were there duties associated with the office of president that Zheng Fen performed on behalf of TYT?
A Yes.
Q Can you tell me what those duties were?
A Sometimes she was in charge of

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safekeeping cash to pay expenses and cash income. And it includes the time when the TYT Corp. lacked funds and she was in charge of borrowing money.
Q Anything else that Zheng Fen did on behalf of TYT East as president?
A Also, shareholders of TYT established a bakery in the rear half of 37 East Broadway and she was the manager.
Q Was she paid --
A She got a salary.
Q From TYT East Corp. for running the bakery she received a salary?
A Yes.
Q Did your daughter Li Li Ni ever -- was your daughter Li Li Ni ever employed by TYT East Corp.?
A No.
Q Let's talk about some of the other entities related to TYT East.
Are you familiar with Hong Xing Management Company?
A Yes, I am familiar with it.
Q Do you know who owns Hong Xing?
A I am.
Q Anyone else?

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A No.

Q Not Zheng Fen?

A Not her.

Q Is Zheng Fen employed by Hong Xing?

A Starting from last year, yes.

Q Not before 2012, though?

A Correct.

Q What about Li Li Ni, is she -- was she or has she ever been employed by Hong Xing?

A No.

Q Did Li Li Ni ever perform any activities on behalf of Hong Xing, paid or unpaid?

A Li Li Ni? Well, I would say that when Zheng Fen went back to Mainland China at the time -- she was, on behalf of Zheng Fen she was handling the cash and the checks and she also conducted transactions with the banks. And also, when Zheng Fen was not available, not around, she was -- and this was very seldom when Zheng Fen was not around -- on Zheng Fen's behalf she would either make a payment or collect money.

Q What years did she do this?

A Well, it was pretty long-term that she did that, since the beginning.

Q And do you recall what year that was?

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A Well, that would be when -- when Hong Xing first got off the ground, Connie would not want to leave cash in the desk or in her pocket. So she would hand the money to Zheng Fen and Zheng Fen, if she were not available, would, on a temporary basis, turn the money over to Li Li Ni who then would return it back to Zheng Fen. And only at times of -- only when it's urgent would she go and buy things or make payments. But only when Zheng Fen was not available under those pressing circumstances would she do that.

Q Was anyone else employed by Hong Xing since 2009?

A It was only Connie. No others.

Q Are you familiar with the company named New Money Link?

A Yes.

Q Do you know who owns New Money Link?

A New Money Link together with New East Ocean together with Hong Wei, H-O-N-G W-E-I, International Money Transfer, they are actually one entity. But because you have to have a separate company to wire money to -- you have to have three separate companies to wire money to three different banks, that was a requirement, so therefore there were those three,

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but in actuality it was one entity.

Q Did that one entity comprised of the three entities, New Money Link, New East Ocean and Hong Wei International, did that one main entity have a name?

A No.

Q Back to New Money Link. Were there any employees of New Money Link?

A Yes.

Q And who were they?

A Andy Lau, L-A U.

Q Any others?

A Then it was Li Li, L-I L-I.

Q What kind of duties did Li Li have at New Money Link?

A Mainly, when Andy was not around then Li Li would handle the money wiring.

Q Any other employees?

A No, there aren't any.

Q Did New Money Link rent space at 35-37 East Broadway from TYT East Corp.?

A Yes.

Q And what was the office suite or floor that was rented to New Money Link?

A In the early period at No. 37 when it was

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inside a mini mall the number was 103.

Q Did that at some point change?

A Yes. Then it leased space from the bakery in the back.

Q The bakery you are referring to is Yummy Yummy?

A Yes.

Q So Yummy Yummy sublet its space -- excuse me. Yummy Yummy sublet part of its space to New Money Link at some point?

A Yes.

Q And was Yummy Yummy permitted to do that under the terms of its space with TYT East Corp.?

A They do.

Q Do you recall who signed the lease on behalf of Yummy Yummy?

A Do you mean who signed on behalf of Yummy Yummy in order to rent to the money wiring service?

Q Yes.

A I think it's me.

Q And what about on the lease between TYT East Corp. and Yummy Yummy? Who signed on behalf of Yummy Yummy on that lease?

A That was also me.

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Q So you signed both as landlord and as tenant on that lease between TYT East Corp. and Yummy Yummy bakery?
A Yes.
Q And Yummy Yummy is actually TYT East Broadway; is that correct?
Sorry. I'll rephrase that. I apologize.
TYT East Broadway, Inc. does business as Yummy Yummy Bakery; is that correct?
A Yes.
Q Does Yummy Yummy rent space to anyone else at 35-37?
A No.
Q What about New Money Link? Does New Money Link rent space at 35-37 East Broadway to another entity? In other words, does New Money Link serve as landlord to any entity at 35-37 East Broadway?
A Can you please repeat that?
Q Sure. I'm sorry.
Does New Money Link, as landlord, rent space at 35-37 East Broadway to another entity?
A As tenant?
Q As tenant.
So is New Money Link a landlord of any

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space in 35-37 East Broadway?
A No.
Q New Money Link doesn't sublet the space it rents from Yummy Yummy?
A It did not do that. It's just those three companies -- it's just the three companies own the same space in order to act as agents for three banks.
Q What are those banks?
A I need to look into that to see which bank. We just know that these bank in the money wiring operation took out a Chinese name for that business.
Q Do you ever play games with your daughter?
MR. WANG: Define game.
MS. GALLAGHER: I think game can use a dictionary basic meaning. He can answer that question.
A No.
Q Have you ever played mah-jongg with Zheng Fen?
A No.
Q Have you ever seen Zheng Fen play mah-jongg?
A Previously at home.

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Q Has she ever talked about times that she played mah-jongg outside the home?
A I don't know.
Q What about guessing games or bidding games? Have you ever heard Zheng Fen talking about playing any guessing games or bidding games?
A Have I ever heard it?
Q Do you know if Zheng Fen has ever played any guessing games?
A I don't know.
Q Do you know if Zheng Fen has played any bidding games?
A I don't know.
MS. GALLAGHER: I have no further questions.
MR. WILSON: It appears I have one follow-up about today. Then I'm going to have a very short set of questions. It's all about today. One piece I think may have been covered by an assertion of the Fifth Amendment the last time. I think I'm entitled to go into it today. But tell me what your view is.

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MR. WANG: My view is your deposition is over. I feel you are no longer entitled to ask any questions. But maybe we can do this. You tell me ahead of time exactly what kind of questions you are going to ask and I will think about it.
MR. WILSON: Sure.
I'm going to ask him just to clarify that the main landlord who was at the lease closing you referred to is the father of the individual who collected the rent. And then I'm going to just ask him how he knows that the Chinatown No. 2 location wasn't in continuous operation, it was on and off. I may have some followups depending on what the answer to that is.
MR. WANG: My position is no, I think the deposition is over.
MR. WILSON: Okay. That's fair.
My recollection is that he took

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the Fifth as to questions about the Chinatown No. 2 business in his first deposition which he has since waived by answering questions about it. You are entitled -- that I'm out of time, I think there's no question about that. But I think the judge is going to let me retake his deposition to go into things where he prevented my questioning in the first deposition.

And we can resolve it right now whether I will ask the questions or we can do it in the future. I assume you will make your arguments to the judge and I will make mine. But you tell me.

MR. WANG: I think no. I think that my position --

MR. WILSON: Is that I'm done.

All right. Fair enough.

Then we are done for the day.

Thank you, everybody.

(Time noted: 4:27 o'clock p.m.)

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CERTIFICATE

STATE OF NEW YORK )

) ss.

COUNTY OF NEW YORK )

I, MARY ELLEN RAFTERY, CSR, RMR, a Shorthand (Stenotype) Reporter and Notary Public for the State of New York, do hereby certify that the foregoing Deposition, of the witness, NI JI XIONG, taken at the time and place aforesaid, is a true and correct transcription of said Deposition.

I further certify that I am neither counsel for nor related to any party to said action, nor in any way interested in the result or outcome thereof.

IN WITNESS WHEREOF, I have hereunto set my hand this 15th day of March, 2013.

____________________________

MARY ELLEN RAFTERY, CSR, RMR